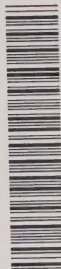


CA 20N
H0300
-1971
M16



3 1761 11892634 4

Publication

Managing Public Housing in the Province of Ontario

[Ontario]

Ontario Housing Corporation
[General publications]

[G-16]



A STUDY PREPARED

BY

**PETER
BARNARD
ASSOCIATES**

TORONTO / DECEMBER 1971

CA 20N
H0300
-1971
M16

Government
Publishing

Managing Public Housing in the Province of Ontario

[Ontario]

Ontario Housing Corporation
[General publications]

[G-16]



A STUDY PREPARED

BY

**PETER
BARNARD
ASSOCIATES**

TORONTO / DECEMBER 1971

~~CARNEGIE 65~~

~~311116~~

Government
Publications

Managing Public Housing in the Province of Ontario



A STUDY PREPARED

BY

**PETER
BARNARD
ASSOCIATES**

TORONTO / DECEMBER 1971

**PETER
BARNARD
ASSOCIATES**

62 Charles Street East,
Toronto 285, Ontario, Canada
416/921-2135

Ontario Housing Corporation
101 Bloor Street West
Toronto, Ontario

Attention: Mr. R.W. Riggs
Deputy Managing Director
Rental Housing Division

Dear Sirs:

Attached is our report on "Managing Public Housing in the Province of Ontario" which outlines our recommendations for the decentralized management of public housing in the province. It is intended to provide a basis for discussion and agreement between the three levels of government and the existing Housing Authorities on a new and more effective approach to housing management throughout Ontario, outside of Metropolitan Toronto.

BACKGROUND

OHC has been aware for some time of the need to adopt a more decentralized approach for managing the rapidly expanding volume of public housing units in Ontario outside of Metropolitan Toronto. At present, these units are being managed by local Housing Authorities in some municipalities and by OHC directly in others. To decentralize and to clear up the inconsistencies of the present approach, the decision was taken in 1969 to introduce Area Housing Authorities across the province and we were asked to assist in setting them up.



Digitized by the Internet Archive
in 2024 with funding from
University of Toronto

<https://archive.org/details/31761118926344>

Our original terms of reference in carrying out this study called for the establishment of Area Housing Authorities, the emphasis of the study being to introduce and test out the process with the setting up of selected Authorities and pilot projects. However, as we became more involved in the study and the problems of Housing Authorities, it became apparent that the Area Housing Authority concept as originally planned may not be as viable as some other approaches. As the implications of the alternatives became clearer, it was decided to adopt new terms of reference for the study.

Under the revised terms of reference we have been asked to evaluate the alternative approaches to managing public housing in Ontario outside of Metro Toronto, and to prepare our recommendations on the roles, responsibilities and relationships of the three levels of government and the Housing Authorities, the organization and staffing of Authorities and the systems and procedures they require. The organization of OHC's property management staff to interface with the Housing Authorities and the pilot projects for testing and implementation have been set aside until agreement is reached on the overall approach. Also excluded from our terms of reference have been consideration of the structure, appointment and remuneration of Housing Authority Boards, and the geographical boundaries of proposed Authorities except as needed to illustrate the viability of any concept proposed.

Public Housing is among the more sensitive areas of the public sector and all three levels of government are involved. Each has its particular views which on some issues are not always similar. In addition, there are areas of judgement which factual analysis cannot wholly resolve. Recognizing this, in carrying out this study we have attempted to get as full an understanding as possible of the viewpoints of the various groups involved on the specific issues in which they have an interest. Accordingly, we have interviewed OHC and CMHC staff, visited many Housing Authorities and municipalities across the province and met with a wide variety of people with an interest or particular expertise in public housing. In completing the study we have

sincerely tried to take into account the many differing viewpoints we have encountered. However, the findings, conclusions and recommendations in this report are our own and we take full responsibility for them.

SUMMARY OF FINDINGS AND CONCLUSIONS

It is clear from analysis of the current approach to managing public housing in Ontario that a fundamental change is required to manage effectively the increasing volume of units coming under management over the next few years. The problems of the present approach are numerous and varied but can be attributed to three principal underlying causes.

1. Lack of effective decentralized authority and responsibility: The present centralized process of administration and control and the resulting inability of local managers to respond effectively to local needs, underlies many of the problems of public housing management in the province.
2. No clearly defined guidelines and procedures for operation and management: Underlying the wide range of approaches and performances among Housing Authorities is the lack of well defined procedures for carrying out the principal functions. Also there is no system of regular audit for ensuring that these processes are followed.
3. Lack of well qualified competent staff: With some exceptions, probably the most serious deficiency of the present approach -- and the one which underlies all of the current problems -- is the lack of experienced, well qualified staff. Moreover, the present approach cannot overcome this deficiency.

Given these underlying causes of the present problems, it is clear that any new approach should be aimed specifically at overcoming these deficiencies.

RECOMMENDATIONS

In developing recommendations, careful consideration has been given to a variety of alternatives for meeting the objectives of a new approach and to the particular views of the three levels of government involved. On the basis of our analysis, we believe that the following major recommendations will result in the most effective approach to the management of public housing in Ontario.

1. Primary responsibility for public housing should remain with the province through OHC. Despite the need for housing management to be responsive to local needs and problems, many municipalities do not have the capability for managing public housing. Moreover, municipal management would inhibit the professional development of Housing Managers and create difficulties in achieving relatively uniform application of housing policy across the province. Thus, primary responsibility for public housing management should remain with the Provincial Government.
2. The concept of relatively autonomous Housing Authorities offers the best approach: Notwithstanding some efficiencies of direct management, the need for local management to be sensitive to local needs and priorities but at the same time protected from local political pressures makes the concept of Housing Authorities the best approach to public housing management.
3. Urban and District Housing Authorities would appear to offer the best solution: After examining the advantages and disadvantages of a number of alternatives, considering the problems of providing a full range of housing management skills to municipalities unable to justify even one full time staff member and the differences in the management job between large and small municipalities, we recommend that two types of Housing Authority be established. Each metropolitan

area with over 1,000 public housing units should have its own Housing Authority. Smaller municipalities should be grouped into districts, under District Housing Authorities, which are large enough to justify provision of a full range of competent staff and whose units are within easy driving range of the district office.

4. Housing Authorities should operate autonomously, subject to strict financial and management audit by OHC. Housing Authorities should be fully accountable to OHC for managing the housing in their jurisdiction according to the policies and guidelines established by OHC. Budgets should be established each year and the Housing Authority should be given full authority for spending to the limits of the approved budget. The Housing Manager should be selected by the Board of Directors from candidates provided by OHC.
5. Housing Authorities should be organized and staffed within guidelines established by OHC. To ensure that Housing Authorities are adequately staffed and organized, consistent forms of organization should be adopted along with guidelines on the number and types of staff. Naturally, guidelines should be flexible enough to accommodate special local conditions.
6. Housing Managers should be seconded to Housing Authorities from OHC. To provide the means for rotation and management development, Housing Managers should be initially employees of OHC, seconded to the Housing Authority. During his tenure with the Authority, however, the Manager should be directly accountable to the Housing Authority Board of Directors.
7. A standardized structure for salaries and fringe benefits should be adopted for all Housing Authorities. As part of the process for upgrading the management of public housing, a standardized structure for salaries and fringe benefits should be adopted. Standardized compensation will not only assist in attracting and retaining qualified candidates to housing management, it will also facilitate the transfer and promotion of Managers to more responsible positions.

These recommendations present a major change in the approach to managing public housing in Ontario. However, before they can be implemented, two important steps must be completed.

1. Determining how OHC's property management organization should interface with Housing Authorities.
2. Carrying out pilot projects to thoroughly test and document a decentralized system of administration.

Since most of the major cities already have a Housing Authority, implementation can proceed quickly once the basic decisions are made. However, the introduction of District Authorities should be phased. Initially, units within the Districts should be directly managed by OHC until Boards can be established.

*

*

*

We should like to acknowledge the cooperation of OHC's Property Management staff in the conduct of this study and CMHC's co-sponsorship of the work. Also, the Ontario Association of Housing Authorities and the staff of several Authorities have been most helpful.

In conclusion, the centralized approach to management of public housing presently used in Ontario is inadequate for handling the increased volume planned for the next several years. It is also clear that there are alternative approaches all of which would bring about improvements. While we are convinced that our recommendations outline the best approach, many of the principles could be incorporated under the other alternatives. The important thing at this point is to agree on an approach and move quickly to implementation.

Yours sincerely,

Peter Barnard Associates

CONTENTS

	Page
1. THE NEED FOR CHANGE	
. Developments in Public Housing to Date	1
. The Current Approach to Management	3
. Present Problems and Underlying Causes	5
. Objectives for a New Approach	13
2. EVALUATION OF ALTERNATIVE APPROACHES	
. Government Responsibilities for Public Housing	17
. General Approach to Management	21
. Evaluation of Alternative Forms of Housing Authority	23
. Summary Evaluation	30
3. A RECOMMENDED APPROACH	
. Roles, Responsibilities and Relationships	33
- The Concept of Organization	33
- The Role of the Board	35
- The Role of the Manager	36
- Relationship with OHC	37
- Relationship with Tenants	40
. A Standardized Approach to Organization and Staffing	43
- The Concept	44
- Model Structures	45
- Staffing	47
- Salaries and Fringe Benefits	49
- Professional Development	54
- Cost of Implementation	57

4.	IMPLEMENTATION	
	. OHC Organization	59
	. Pilot Projects for Decentralized Administration	62
	. Establishing Urban and District Authorities	66
	. Making Decentralized Management Work	69

APPENDICES

A	Tenant Participation in Housing Management	75
B	A Standard Approach to Internal Organization of Housing Authorities	87
C	A Standard Approach to Staffing of Housing Authorities	107
D	A Standard Approach to Salary Scale & Fringe Benefit Formulation for Housing Authorities	113

1. THE NEED FOR CHANGE

Public Housing in the Province of Ontario has expanded dramatically since OHC became involved in 1964. This expansion has taken place not only with respect to the number of units to be managed but also in terms of the number of municipalities involved. The growth process has highlighted the difficulties of managing geographically dispersed units from a centralized administration and OHC's property management has recognized the need for a more decentralized system of management.

As a background for the discussion of a new approach, this first chapter describes the need for change under four headings:

- Developments in Public Housing to Date
- The Current Approach to Management
- Present Problems and Underlying Causes
- Objectives for a New Approach

DEVELOPMENTS IN PUBLIC HOUSING TO DATE

Between 1952 and 1964, public housing in Ontario was managed through Housing Authorities established under the Federal/Provincial partnership. These Authorities varied in size from Metro Toronto, the largest with 2,600 units, to very small municipalities with as few as 25 units. The creation in 1964 of the Ontario Housing Corporation began a period of intensive public housing development which has been characterized by rapid expansion and changing attitudes toward public housing.

Rapid Expansion

When OHC was formed in 1964, it took over management responsibility for some 6,000 housing units developed under the Federal/Provincial partnership and managed through 41 Housing Authorities in large and small municipalities across the province. Since that date, more than 36,000 units have been added, representing an increase of 500%. A further 12000 units are either planned or under development which will bring the total number of units under management to 54,000 units by the end of 1972.

Coupled with this rapid increase in volume has been the geographic spread of public housing throughout the province. From the 41 municipalities served in 1964, public housing is now available in more than 150 municipalities. This rate of growth and expansion has placed heavy demands on the management system.

Changing Attitudes

In addition to the rapid growth and expansion, the changing attitudes of tenants and to some extent the rest of society toward public housing, have added complexity to the management job.

In the early years of public housing, the prevailing attitude was that public housing was a privilege and tenant selection criteria typically favoured people likely to be acceptable tenants. Consistent with this

attitude, housing projects did not aim at providing recreational facilities and social services. Over the past several years, attitudes have changed considerably. Now, public housing is considered by many groups to be a "right" rather than a privilege, and as such should be assigned on the basis of need independent of the likelihood of occupants being good tenants. Also, it is felt that in keeping with steadily rising living standards, housing alone is not enough and projects should include recreational and social facilities.

These developments have had an important impact on the job of housing management. To be effective, management must have skills in dealing with a wide range of behavioral problems in addition to dealing with the ongoing problems of property management.

THE CURRENT APPROACH TO MANAGEMENT

There are basically two approaches to the management of public housing in Ontario, that originally developed for housing built under the Federal/Provincial partnership prior to 1964, and the approach adopted by OHC when they assumed responsibility in 1964. These two basic approaches have with some modification been retained by OHC direct management in 116 municipalities and 41 Housing Authorities with responsibility for both F.P. and O.H. units.

Decentralized Management
of F.P. Units

The original concept of management was built around autonomous local Housing Authorities that were assigned full responsibility for the management of public housing in a municipality, in accordance with general policies established by CMHC. Under this concept, each Authority was established as a corporate body and given complete responsibility and authority for carrying out the functions of management within budgets approved by CMHC. As such, each authority maintained its own financial records subject to public audit, hired its own staff and interpreted public housing policy for the municipality.

Direct Centralized Management
of O.H. Units

Concerned that the original concept of housing management adopted for F.P. units would not be appropriate for the program planned by OHC, no new Housing Authorities were created after 1964. OHC undertook the direct management of all housing developed in municipalities without an existing Housing Authority. OHC also introduced different administrative processes for the management of O.H. units by existing Housing Authorities.

The essential difference between these approaches is that, in contrast to the local decision-making authority for F.P. units, decision-making for the management of O.H. units is centralized. Accounting for O.H. projects is carried out centrally and expenditures in excess of \$100 require OHC approval. Thus,

Housing Authorities with responsibility for both F.P. and O.H. units maintain a full set of financial records and complete all financial transactions for F.P. units but transmit data to OHC head office for centralized administration of O.H. units.

PRESENT PROBLEMS AND UNDERLYING CAUSES

Any change in approach to the management of public housing should be directed toward dealing with the present problems or more appropriately to the causes underlying these problems. Also, given the difficulties and length of time required to fully implement a new approach, full consideration should be given to the longer term prospect for public housing and its implications..

Problems of the Present Housing Authorities

Despite the differences in approach adopted by Housing Authorities and the inevitable range in operating effectiveness, there are problems and concerns that are generally common to Housing Authorities. The first category of problems relates to the relationship between Housing Authorities and OHC.

1. Inefficiencies and difficulties with centralized administration of O.H. units: The principal problem of the present approach lies in the difficulties and inefficiencies caused by the centralized process

of administration. This approach limits local management's ability to deal effectively with day-to-day problems. The need for expenditure approvals for example creates delays in getting maintenance projects underway. The time required to process invoices means that some local suppliers and contractors are unwilling to bid on O.H. contracts. Accounts such as utility bills often get paid too late to take advantage of discounts.

2. Lack of involvement in new development: Almost without exception, Housing Authorities complained of their limited involvement in new development and pointed out the resulting deficiencies in buildings and individual housing units. Selection of undesirable sites was the principal observation along with poor building designs and inadequate inspection and follow-up on construction deficiencies.
3. Difficulties in communicating with OHC: Another problem with centralized administration is the difficulty Housing Authorities encounter in communicating with OHC. This is no doubt aggravated by growth and expansion which requires continual additions to staff and redefinition of responsibilities. There is, however, a lack of clear lines of communication and Housing Authorities' staff have difficulty finding the person in OHC directly responsible for a particular area. This results in delays in getting decisions.

4. OHC Field Staff mainly involved in administration:
Contributing both to the lack of uniformity in applying housing policy and ineffectual management of projects is the lack of regular management and financial audit of O.H. projects. OHC field representatives are centrally located and mainly concerned with expediting administrative matters, gathering information on Housing Authority problems, and providing assistance to Housing Authority staff rather than auditing their operations and outlining areas of non-conformity to established policies. The only financial audit is the public audit of F.P. projects which is required by law.

A second category of problem relates to the internal operations of Housing Authorities.

1. Lack of direction and control by Housing Authority Board of Directors: With some notable exceptions, Housing Authority Boards generally leave the management of housing to local managers. Board meetings are typically short, often infrequent, and deal with routine matters. This limited involvement of the Board in Housing Authority affairs results in a lack of control and guidance in the management of public housing in the municipality.
2. Lack of uniformity in the application of housing policy: Without a clearly defined set of policies and guidelines and no audit of operations, each Housing Authority has developed in its own way with the result that there is a wide range of approaches

which leads to a lack of uniformity in the application of housing policy. This is reflected in variations in the ratio of units under management to staff, the types of tenants being accommodated, and the tendency in some areas toward high grade selection of tenants.

3. Limited tenant involvement: Despite the trend toward greater tenant involvement experienced in the larger urban centres, there is limited tenant involvement in the smaller municipalities. This can be attributed in part to the fact that in the smaller municipalities, there are fewer tenant problems. The low density development and the tendency toward high grade selection that characterizes the smaller municipalities reduces the need for tenant organization.

Underlying Causes of the Problems

From our analysis of the present approach to management of public housing in the province, the problems can be attributed to three principal underlying causes:

1. Lack of effective decentralized authority and responsibility for O.H. units: The present approach with its centralized administration and control underlies many of the difficulties in dealing with local problems. Local managers with limited spending authority are unable to make decisions on many day-to-day matters. This results in delays and inefficiencies as approvals are sought. Moreover, local suppliers and officials are confused by the dual system for F.P. and O.H. units. The result is that Boards and local managers do not feel fully accountable for O.H. units in their areas, and cannot be responsive to local tenant needs and problems.
2. No clearly established guidelines for operation and management: Underlying the wide range of performance among Housing Authorities and the different approaches being employed across the province is the lack of clearly defined guidelines for operation and management.

Procedures for carrying out the principal functions of housing management such as tenant selection and placement, rent collection, evictions, maintenance etc., have either not been documented or are out-of-date, with the result that each Authority has developed its own. Similarly, while policies dealing with most of the critical aspects of housing management have been formulated, there is no quick reference manual to guide decisions.

Another deficiency lies in the area of staffing and organization. While there is an administrative budget allowance based on the number of units to be managed, there are no guidelines for the types and qualifications of staff required nor are there guides for their organization. Added to which there is no provision of guidelines for salaries and fringe benefits.

As mentioned earlier, there is no regular management and financial audit of O.H. operations. Despite regular visits to Housing Authorities by OHC field staff, there is no system for auditing operations to ensure that the housing is being managed according to the policies set by OHC.

Moreover, there is no financial audit of O.H. units. While a public audit is carried out on F.P. units, it is not possible with O.H. units because of the centralized accounting system.

3. Lack of well qualified competent staff: Probably the most serious deficiency and one which underlies all of the current problems of managing public housing is the lack of experienced and well qualified staff. Public housing management is among the more challenging management positions requiring a broad range of social and business skills. Yet there is no source of trained people and few opportunities for development.

First, many of the Housing Authorities are too small to justify even one full-time Housing Manager with the result that management has to be entrusted to an individual who can do the work on a part-time basis. This poses the difficult problem of providing service to tenants on a continuing basis.

Secondly, while there is a wide range of salaries being paid to Housing Managers and their staff, salary scales and fringe benefits are typically too low to attract well-qualified or high potential candidates.

Finally, under present conditions, there are few training and career development opportunities. Housing Authority staff have little exposure to other Authorities and there is no overall co-ordination of promotions and transfers to provide high potential individuals with increased responsibility and opportunity.

Implications for the Future

While there is uncertainty about the long range prospects for public housing, there is little question that pressures will build over the next few years as units already planned and under construction are completed.

1. Long range prospects are uncertain: The concept of public housing as presently conceived is currently under review, particularly as it relates to other housing and urban problems. It is quite possible that substantially different solutions to housing people incapable of providing for themselves may be adopted in the future. The basic characteristic of large scale public housing development is that it groups the less privileged into identifiable concentrations that are perceived as different from other groups. Furthermore, concentrations of problem families such as single parent families adds to the difficulty of providing assistance.
2. Pressures will increase over the short term: While there may be quite different solutions over the long term, there is little question that pressures on public housing will build on the basis of projects planned or under construction. Over the next two years, the number of units under management is expected to reach 36,000 units excluding Metro Toronto, an increase of 57% over the 1971 level. Also, there is likely to be mounting pressure from tenant groups who are demanding higher standards of accommodation and many of the facilities provided tenants in the private sector.

There seems to be little question that over the short run at least the growth expected will further add to the problems and difficulties of managing public housing under the present approach.

OBJECTIVES OF A NEW APPROACH

To be effective, any new approach to management should be geared to deal with the long term needs as well as the underlying causes of the problems in the present approach. Moreover, a new approach should be practical in terms of implementation and cost. Thus, in evaluating alternative approaches, there are certain essential criteria that should be met plus several other criteria which would be desirable though not as critical.

Essential Criteria

Any new approach to public housing management should meet four essential criteria:

1. Provide local decision-making on day-to-day matters to enable local managers to respond effectively to tenant needs and problems: In order to respond quickly and effectively to local problems, the manager must have authority to act within certain limits and according to established guidelines. Similarly, local representatives should be given authority to interpret housing policy in areas where local conditions need to be considered. Without this capability, local management can neither gain the respect of the tenants nor provide the kind of services needed by tenants.

2. Provide and develop a full range of professional staff: To effectively assume increased decision-making responsibility, Housing Authorities must have staff capable of and trained to carry the full responsibility for all aspects of housing management. Thus, any new approach should recognize the need to provide a full range of qualified, competent staff in each local area regardless of its size or the number of units under management.
3. Ensure relatively uniform application of housing policy: An effective province-wide program should ensure that citizens in one part of the province are treated in much the same way as citizens in another part of the province -- within limits that accommodate regional disparities. Thus, an essential criteria of any system of management is that it ensures the relatively uniform application of housing policies, particularly with respect to tenant selection, rent scales, evictions, etc.
4. Be sensitive to the different needs of municipalities: The problems of managing public housing vary widely between municipalities. The larger urban centres with high density projects are characterized by a large proportion of problem families and more active tenant groups, with the resulting management complexity. Small municipalities with few scattered single family units have a less complex job oriented more to property management. These differences must be considered in any new approach.

Other Criteria

In addition to the essential criteria, there are other criteria that a viable approach should meet.

1. Be economically viable: While there are indications that the present approach to management suffers from understaffing both in terms of the number and calibre of staff, a new approach must be economically viable. Thus, changes in staffing levels should be in line with overall trends in staffing that would be justified through the increase in volume of units under management.
2. Allow relatively easy implementation: Given the involvement in public housing of the three levels of government and the difficulties and delays already encountered in introducing change, an important criteria has to be the ease and feasibility of effective implementation.
3. Simplify administrative processes: Many of the current problems in public housing management stem from complicated and cumbersome administrative processes. Thus, any new approach should aim to provide clear lines of communication and responsibility and simple administrative processes that quickly and easily provide housing managers with the information needed for effective management at the local level.

2. EVALUATION OF ALTERNATIVES

In developing a new approach to public housing management there are three critical questions to be resolved:

- Which level of government should have primary responsibility for public housing management - Federal, Provincial or Municipal?
- How should that responsibility be exercised? - through direct management or through some independent agency such as a Housing Authority?
- How should local management be organized and administered - by local municipality, geographic area, or some combination?

These questions must be dealt with in sequence in that the answer to the first question will have a marked influence on the second, and so on. To resolve these questions, this chapter will compare the alternative solutions against the principal objectives and criteria established for a new approach in the preceding chapter. The chapter examines each of the above questions as three distinct sections.

GOVERNMENT RESPONSIBILITY FOR PUBLIC HOUSING

The present arrangement includes the three levels of government with the Provincial Government, through OHC, having prime responsibility for public housing. Given the need for getting the decision making closer to the local tenant there can be little to gain from increased Federal involvement in day-to-day management. Thus, in considering which level of government should have primary responsibility for the management of public housing, the major question relates to the pro's and con's of municipal responsibility versus provincial responsibility.

Pro's and Con's of Municipal Responsibility

To determine the desirability of giving municipalities responsibility for public housing, it is useful to examine the pro's and con's of provincial versus municipal responsibility against the four primary objectives, that is,

1. Responsiveness to local tenant needs
2. The need for professional management
3. Uniform application of Housing Policy
4. Sensitivity to differing needs of municipalities.

1. Responsiveness to local needs

The first requirement of any new approach is the need to be responsive to local needs and problems. There are some advantages to having local housing management responsible to locally elected officials, particularly

in the larger municipalities that have the resources and skills to carry out the total housing development and management process. First, elected officials reflect the views and attitudes of the local people and must respond to public demands and pressures. Second, a direct relationship between CMHC and the municipality would eliminate the need for a third party.

Offsetting these advantages, however, is the fact that many municipalities are too small to justify providing the skills and resources needed to effectively manage public housing. Moreover, many municipalities have no desire to get involved and prefer that housing matters be handled by the independent agency presently constituted. In any case, municipal involvement is being effectively provided by the current process of selecting Board members. The mayor of the municipality is chairman of the selection committee and has the power to nominate candidates and veto any nomination that is not acceptable to him or the local government. Thus, in terms of being responsive to local needs, while there are obvious advantages to having housing management under the control of the locally elected municipal government, there are also some disadvantages.

2. The need for Professional Management

The second objective is the need for the development of professional management. Effective public housing management requires a range of personal and business skills

that are in scarce supply and can generally only be acquired through on-the-job training and programmed professional development. An effective way of developing this expertise is through a co-ordinated program of job training and career planning that identifies high potential people and provides a well-defined career progression.

Municipal responsibility for housing would tend to inhibit this kind of program in that the municipalities' sphere of control would be limited and there would be no motivation to transfer high potential people to other municipalities.

On the other hand, provincial responsibility would include housing throughout the province and this provides an ideal opportunity to co-ordinate and control a province-wide personnel development program.

3. Uniform Application of Housing Policy

The third essential criteria is the need to have generally uniform housing policies across the province that ensure that housing is being allocated to the people of greatest need and that tenants have much the same privileges and responsibilities. Municipal control would make this extremely difficult to achieve. Local management would be forced to respond to local political pressures and in the process adopt policies that may be inconsistent with the overall aims and objectives of the housing program.

The provincial government is not so constrained, and to the extent that it is responsive to political pressures, policies can be applied uniformly across the province providing for local interpretation as needed.

4. Sensitivity to Differing Needs of Municipalities

Finally any new approach should be sensitive to the differing needs of municipalities and with respect to this criteria municipal responsibility would present all but the largest municipalities with difficulty. Smaller municipalities would be unable to justify the provision of professional staff. Full-time professional staff for small municipalities is difficult to justify with provincial responsibility, however having province-wide responsibility allows the provision of centralized services which would not be available if municipalities had total responsibility.

Weighing the pro's and con's of municipal versus provincial responsibility for housing management, it appears that despite the obvious advantage of having management answer to locally elected officials, there are greater advantages to having the province primarily responsible for the management of public housing.

The next section examines how this responsibility should be exercised.

**GENERAL APPROACH
TO MANAGEMENT**

Given that the province should have primary responsibility for public housing, the next question is how should that responsibility be exercised? Should OHC extend its present system of direct management throughout the remainder of the province or alternatively should it manage indirectly through some form of housing authority?

In evaluating the pro's and con's of this issue, particularly against the criteria established, it appears that indirect management through some form of local housing authority offers the best solution.

While municipal responsibility for housing provides the greatest sensitivity to local needs, there are problems inherent in this approach. There are different problems if control is too far removed from the local scene. The housing authority offers a reasonable alternative, in that while it is aware of local needs and problems, being outside the direct political process it is to some extent protected from the day-to-day political pressures.

Direct management of public housing by OHC provides the ideal vehicle for the development of professional management. As direct employees of the provincial government, managers could be readily assigned to any area of the province, thus enabling systematic development of high potential professional managers.

On the other hand, there is no reason why professional Managers cannot be developed through Housing Authorities if provided for in the terms of the management contract between OHC and the Authority.

On the need for application of uniform housing policy there are advantages to both approaches. In some aspects, direct management provides the best vehicle for applying generally uniform housing policy across the province. However, while there is need for general uniformity in policy application, policies must also be flexible enough to accommodate local conditions. This requires understanding of local conditions and interpretation of policy that is sensitive to those conditions. Direct management is unlikely to provide that sensitivity.

Weighing the pro's and con's, it appears that in terms of management efficiency, direct management of public housing by OHC offers some advantages. However, public housing management should not be viewed solely on the basis of efficiency. The aspect of service to tenants is becoming increasingly important and requires a system that effectively balances efficiency with local service. The concept of local Housing Authorities can meet this need and still be efficient in terms of carrying out the day-to-day functions of management.

In summary, the Housing Authority provides the buffer between local and provincial governments and enables management to be sensitive to local needs without being unduly influenced either by local political pressures, or on the other hand, by the rigidity of a province-wide approach.

EVALUATION OF ALTERNATIVE FORMS OF HOUSING AUTHORITY

Housing Authorities acting as agents for the province offer the most effective approach to managing public housing in Ontario. However, while the concept is sound, past experience indicates the need for a carefully designed approach: Three alternative forms of Housing Authority can be considered:-

1. Local Authorities - That is to retain the original concept of establishing a Housing Authority in each municipality and to extend this approach across the province by creating authorities in each of the municipalities with public housing.
2. Area Authorities - This approach, proposed last year, would split the province into geographic areas and establish a Housing Authority for each area under a board made up of representatives from each of the municipalities included in the area.
3. Urban and District Authorities - A third approach would be to use a combination of local and area authorities; that is, to establish a local authority for each urban centre with a portfolio large enough to justify a full range of housing management skills and to group smaller municipalities under a district authority made up by a small Board of municipal members on a rotating basis.

1. Local Authorities

Local Authorities in each municipality would effectively meet most of the objectives and criteria established with two significant exceptions - first, the provision and development of staff and second, application of uniform housing policy.

Principal Advantages

Local Housing Authorities effectively meet three of the criteria:

- Sensitivity to local needs and problems: Of the three alternatives, local authorities best meet this objective. With responsibilities confined to the local municipality the Housing Authority is likely to be responsive to local needs and problems.
- Ease of implementation: Given the existence of the present 41 local Housing Authorities and the past experience in their establishment, there would be few problems in extending this approach to other municipalities in the province. Procedures are well-established and agreed to by the respective levels of government. Thus implementation would pose no problem.
- Ease of administrative decentralization: All of the existing Housing Authorities have a system for decentralized administration of F.P. housing and while improvements to the system could be introduced, the basic principles would remain and there would be few difficulties in introducing decentralized administration to other local authorities.

Disadvantages

Despite the obvious advantages of having a local authority for each municipality, there are several critical disadvantages:

- Few authorities are large enough to justify a full range of well-qualified staff: The principal difficulty with a system of autonomous local Housing Authorities is that many are too small to justify even one full-time manager. Thus, providing the full range of competent staff under each authority is clearly impractical and providing these skills on a more centralized basis interferes with local autonomy and accountability.
- Achieving relatively uniform application of housing policy would be difficult: The large number of local Housing Authorities would make the task of achieving relatively uniform application of housing policy particularly difficult.

2. Area Authorities

It was to overcome the problems of providing competent staff and to achieve effective decentralization of administration that it was proposed to establish area Housing Authorities. While this approach does effectively meet many of the criteria and objectives it presents difficulties in two critical areas. First, it is not sensitive to the differing needs of small and large municipalities and second, as originally conceived, it is very difficult to implement.

Principal Advantages

Area Housing Authorities overcome many of the deficiencies of the local Housing Authorities while retaining most of the advantages.

- Provides a full range of competent staff in each area:
The principal advantage of an area authority is that it enables the provision of a full range of competent skills to all municipalities. Areas composed of both large and small municipalities would have sufficient units to justify specialist skills that would be made available as needed to the smaller municipalities.
- Permits effective application of uniform housing policy:
With the relatively small number of area Housing Authorities and full-time specialists for the principal functions such as tenant placement, community relations, maintenance, etc., it would be much easier to achieve relatively uniform housing policy application across the province. Not only would there be fewer people to communicate with, but they would also be trained and qualified in the particular function.
- Provides an economically viable approach: A third advantage of the area Authority is that it provides competent staff at the local level on an economic basis.

Disadvantages

Despite the advantages of the area Housing Authority approach there are two disadvantages:

- Area Housing Authorities are not sensitive to the differing needs of large and small municipalities: Combining large and small municipalities under an Area Housing Authority is likely to create problems with respect to priorities. Larger municipalities are characterized by higher density projects and a greater proportion of problem families than the smaller municipalities. These characteristics naturally create more problems and thus demand disproportionately more time than the smaller municipalities. Accordingly, there is the danger that the Housing Authority would become oriented to the larger municipality to the exclusion of the smaller municipality.
- Would be difficult to implement: Apart from the practical problems of operating an Area Housing Authority, there is also the problem of implementation. Smaller municipalities close to the larger urban centres are concerned that they would be dominated by the larger municipality with little benefit. Depending upon the criteria for municipal representation on the Board, the smaller municipalities with significant combined representation on the Board of Directors could take advantage of their combined strength to the disadvantage of the larger municipality.

3. Urban and District Authorities

Urban and District Authorities provide a more flexible approach that combines the advantages of both the local and area concept, while avoiding the problems

of combining large and small municipalities. The only disadvantage of this approach is that it will require a greater number of authorities than the area concept and consequently constitutes a slightly more expensive solution. Nevertheless given the heavy volume of units coming on stream this additional expense may be justified.

Principal Advantages

The Urban and District concept meets all of the basic objectives and criteria established.

- Provides Sensitivity to local Needs and Problems: The Urban and District Authority concept provides sensitivity and the ability to respond to local needs and problems. Urban Authorities would have greater autonomy with respect to OH housing and District Authorities would be located central to their territories, and accessible for decision-making on local problems.
- Provides a full range of competent staff to small municipalities: The larger municipalities have enough units under management to justify a full range of well-qualified staff. By grouping the smaller municipalities into districts large enough to justify staff but not too dispersed to prevent access to the smaller municipalities professional staff can be made available to all public housing projects.
- Facilitates relatively uniform application of housing policy: The relatively small number of Urban and Rural Authorities under the management of qualified professional staff will facilitate the application of uniform housing policies subject, of course, to local interpretation when required.

- Permits easy implementation: An important advantage of this approach given the controversies surrounding public housing and the involvement of three levels of government, is that it could be implemented without major disruption. Housing Authorities already exist in the urban centres and would therefore involve little change except to assume greater responsibility for OH units. District Authorities could be phased in by initially having the districts established as administrative units under a District Housing Manager with responsibility for the municipalities in the district, but reporting directly to OHC until a District Board could be formed. Existing Housing Authority Boards could be retained as Advisory Boards during the transition.

Disadvantages

While the Urban and District approach meets most of the objectives, two disadvantages should be recognized.

- Requires a greater number of management positions: Of the three alternative forms of Housing Authority considered, the Urban and District concept requires slightly more staff. However, given the magnitude of the job to be done, we believe that the additional cost would be justified.
- Requires Housing Authority Staff to locate in small communities: A second possible disadvantage is that District Housing Authority staffs will be required in some cases to locate in small communities in order to be centrally located in the District. This could create problems in attracting the calibre of

staff needed to do the job. This disadvantage can be overcome, however, with personnel policies that provide for job rotation and career development.

SUMMARY

EVALUATION

In comparing these three basic alternatives against the objectives for a new approach, it appears that a combination of Urban and District Authorities best meets the criteria. While administrative decentralization would be possible under all three approaches the local and Area Authority alternatives fail to meet important objectives.

Local Authorities, while meeting most objectives do not permit the provision and development of professional staff. Moreover, the problems of co-ordinating the application of uniform housing policy across 150 municipalities would be extremely difficult. Area Housing Authorities overcome the problems of staff development and policy application, but face the problem of combining large and small municipalities and the fears of small municipalities that they would be dominated by the larger centre. For this reason the Area Housing Authority concept would be difficult to implement.

The combination of Urban and District Authorities constitutes the best approach. It retains the advantages of local authorities for urban centres large enough to justify providing a full range of skills.

Similarly, the District Authority provides the advantages of the Area Authority without the difficulties of grouping large and small municipalities. For these reasons we recommend the adoption of Urban and District Housing Authorities.

3. A RECOMMENDED APPROACH

Based on our analysis of the problems and underlying causes of the present system of managing public housing in Ontario and an examination of alternatives, we believe that public housing in the province can be best managed through relatively autonomous Urban and District Housing Authorities. We also believe that for these Authorities to work effectively, they must be staffed with experienced and well trained Housing Managers; given a complete set of guidelines and instructions for carrying out the day-to-day activities and be regularly audited to ensure that policies and guidelines are being followed. This chapter describes how these Urban and District Authorities would work by presenting recommendations on:

- The Roles, Responsibilities and Relationships of Housing Authorities
- A Standardized Approach to Organization and Staffing of Housing Authorities

It should be noted that while these recommendations are oriented to Urban and District Authorities, many of them would apply to whatever approach is adopted.

ROLES, RESPONSIBILITIES AND RELATIONSHIPS

Clear definition of the roles, responsibilities and relationships of the Housing Authority and the people with whom they interact is essential to understanding how the proposed Urban and District Housing Authority approach would work. To develop this understanding, we shall discuss:

- The Concept of Organization
- The Role of the Board
- The Role of the Manager
- Relationship with OHC
- Relationship with Tenants

The Concept of Organization

The basic concept of the Housing Authority is to establish an agency for the management of public housing that is sensitive to local needs and priorities without being under the direct control of the local municipal government. As such, it should be a legal body accountable by management contract to OHC for the management of public housing units under its jurisdiction according to the policies and procedures and within budgets established by OHC. As such, it should be subject to management and financial audit by OHC.

Under this concept, municipalities large enough -- in terms of the volume of units under management -- to justify a full range of qualified staff would be established as Urban Authorities. Smaller municipalities would be grouped to justify provision of qualified staff at a district level. Special provision will have to be made for municipalities that due to distance and low volume of units under management make inclusion in District Authorities impractical.

Urban Authorities: Based on the current volumes of units under management and planned for completion over the next year, about five municipalities would be big enough to justify Urban Authority status. It would appear that about 1,000 units under management is the most appropriate guideline and on this basis five municipalities should be recognised as Urban Authorities -- Hamilton, Windsor, Kitchener/Waterloo, Ottawa, and London. Together, these municipalities will account for over 48% of the total housing in the province outside Metro Toronto.

District Authorities: The grouping of municipalities into District Authorities involves two basic considerations, the volume of units to be managed in an area and accessibility in terms of time and cost of providing service on a district basis. With respect to the first criteria, the 1,000 unit guideline appears most appropriate given the present dispersion of housing outside metropolitan areas. In considering the second criteria, it



EXHIBIT 3.1

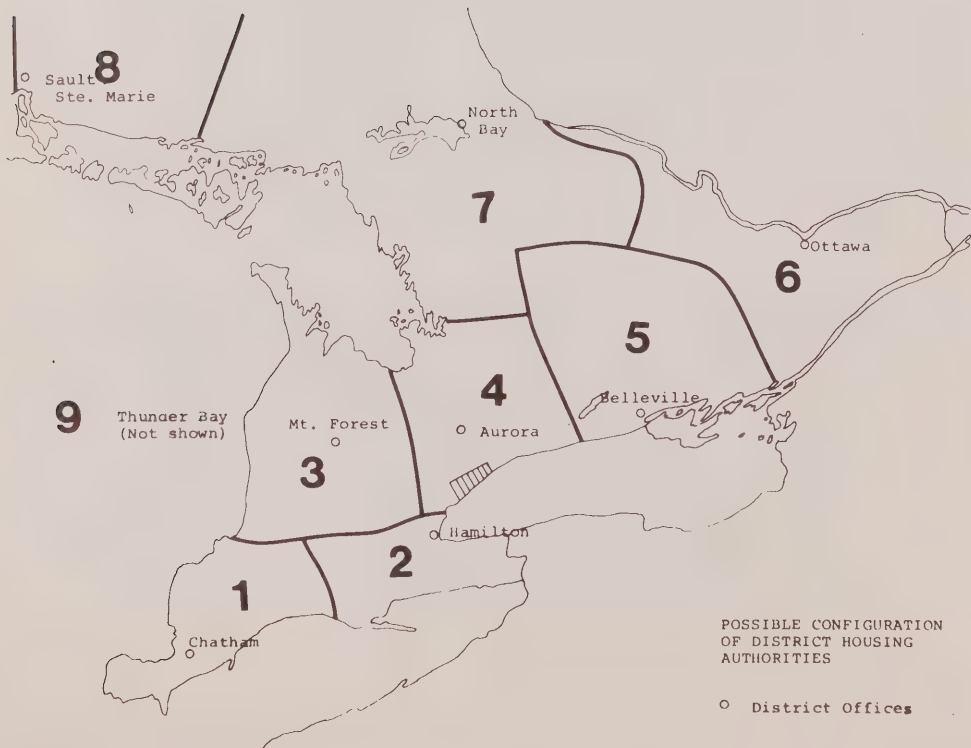


EXHIBIT 3.2

seems appropriate to have districts no larger than would allow a Manager to make a return trip in one day. Given the condition of roads in Ontario, 75-100 miles should be the maximum distance from the Manager's district office to the local municipality. On the basis of these criteria, the province could be divided into about nine districts which would cover most of the public housing in the province. Exhibits 3.1 & 3.2 show possible configurations.

Northern Ontario poses some particular problems in that the distances between the more remote municipalities makes inclusion in District Authorities impractical. However, given the small proportion of the total housing to be managed by these municipalities continued direct management by OHC with decentralized administration offers the best solution. This will involve few municipalities which would account for an insignificant proportion of the total housing in the province.

The Role of the Board of Directors

As representatives of the local community, the Housing Authority Board of Directors should be responsible for managing public housing according to a management agreement with OHC. In carrying out this responsibility, the role of the Board should be mainly that of providing guidance to the Housing Manager on policies subject to local interpretation and approving

the actions of the professional manager of the Housing Authority. Matters of general housing policy should be referred to OHC. More specifically, the Board should:

1. Ensure that policies and procedures established by OHC are followed in all aspects of housing management.
2. Provide guidance to the Housing Manager on policies subject to local interpretation.
3. Recommend changes in housing policy to OHC.
4. Recommend approval of annual budget to OHC.
5. Approve expenditures beyond the authority of the Manager but within the budget.
6. Review proposed expenditures in excess of budget and recommend approval to OHC.
7. Select and award contracts publicly tendered.
8. Select and appoint the Housing Manager.
9. Approve appointments of senior staff members made by the Housing Manager.

The Role of the Housing Manager

The key to effective housing management is having a highly qualified Housing Manager fully experienced in all aspects of public housing management. Thus, the Housing Manager should assume the major responsibility for managing housing in his jurisdiction, according to

the guidelines established and the advice and approval of his Board of Directors and OHC. As such, the Manager should be subject to financial and management audit by OHC and should provide information and reports as required by OHC.

The Housing Manager should be accountable to the Board for his performance in managing the housing under his control. More specifically, the Housing Manager is primarily responsible for:

1. Preparing budgets for Board approval according to guidelines established by OHC.
2. Carrying out the day-to-day management of housing according to established policies and within specified budgets.
3. Preparing for Board approval expenditures beyond his approval limit.
4. Recommending changes in housing policy.
5. Selecting suppliers and awarding contracts not required for public tender.
6. Selecting and hiring staff subject to Board approval.

Relationship with OHC

Under this concept, two aspects of the relationship between Housing Authorities and OHC should be established. First, and the one that has caused dissatisfaction in the past, is the relationship between Housing

Authorities and OHC with respect to housing development. The second is the relationship with respect to housing management.

Housing Development

One of the principal complaints of Housing Authorities is their lack of involvement in the building development process and their dissatisfaction with projects turned over to them for management. While responsibility for development should remain with OHC, Housing Authorities can make a valuable contribution to the development process by:

1. Participating in surveys of housing need: Local authorities are not only in day-to-day contact with people looking for accommodation, they also maintain records of families waiting for housing units. It seems logical, therefore, that Housing Authorities should participate in surveys of housing need.
2. Recommending sites and design criteria: The knowledge of the local conditions and needs of prospective tenants and their experience with buildings under management makes the Housing Authority's viewpoint on site selection and design criteria particularly useful. Therefore, development procedures should be modified to ensure that Housing Authorities have the opportunity to make recommendations.

3. Reviewing design and building proposals and making recommendations: Since completed projects will ultimately be turned over to the Authority for management, they should become an integral part of the review process. Accordingly, Housing Authorities should be given the opportunity to review proposals and make recommendations.
4. Inspection and acceptance of completed projects: Since the Housing Authority will ultimately be held accountable for the management of the completed project, no project should be accepted by OHC as completed satisfactorily without the written acceptance of the Housing Authority.

Housing Management

The role of OHC with respect to day-to-day management should be that of setting the guidelines for operations, providing counsel and guidance, and then auditing to ensure that housing is managed according to the guidelines. This would involve four principal functions:

1. Staff selection and training: Since the key to effective management is staffing, a prime responsibility of OHC should be the training and development of Housing Managers and the provision of qualified candidates for housing management positions that become vacant. OHC should also develop career paths for high potential individuals and co-ordinate transfers and promotions.

2. Development of policies and procedures: To ensure up-to-date policies and procedures and guidelines for operations, OHC should provide Housing Authorities with manuals that are continually revised to reflect the latest housing policies, and administrative systems.
3. Budget approval and control: To exercise financial control, OHC should establish the guidelines for the preparation of annual budgets, approve them when completed and review the performance of Housing Authorities against budget regularly throughout the year. All expenditures not included in the budget should be reviewed and approved by OHC.
4. Management and financial audit: To ensure that Housing Authorities operate according to prescribed policies, procedures and budgets, Housing Authority operations should be subject to regular financial and management audit by OHC.

Relationship with Tenants

Tenant involvement in housing management is among the most controversial and emotional issues in public housing and there are widely divergent views on the extent to which and how tenants should participate. From our analysis of the problem (see Appendix "A"), we have concluded that tenant participation through

TENANT INVOLVEMENT APPROACH

PUBLIC HOUSING
MANAGEMENT

DISCUSSION

TENANT
ORGANIZATION

OHC BOARD OF
DIRECTORS



PROVINCE-WIDE
TENANT GROUP

HOUSING AUTHORITY
BOARD



COMMUNITY-WIDE
TENANT GROUP

HOUSING MANAGER



TENANT REPRESENTATIVES

PROJECT MANAGER



TENANTS

GROUPS DISCUSS PROBLEM.
MOVES TO NEXT LEVEL IF
UNRESOLVED

EXHIBIT 3.3

membership on decision-making Boards is unlikely to be effective in resolving tenant problems, or provide a meaningful influence on housing management policy. We believe that a better approach is based on the assumption that tenants will be continually pushing for improved conditions and generally asking for more than can be provided. Thus, rather than participation in decisions, a more constructive approach would be to develop an orderly process for hearing, discussing and resolving tenant problems and getting tenant views on questions of housing policy. More specifically, we recommend a process that provides for interaction and resolution of problems between tenants and housing management at four levels and where appropriate allows systematic referral of unresolved problems to successively higher levels of authority. Exhibit 3.3 illustrates the process.

1. Project Manager/Tenant

The bulk of tenant problems can and should be resolved at the project level and a Housing Authority organized under the project management concept provides the communications link to identify and deal with on-site problems. To achieve this:

- a) Each tenant should be assigned to one Project Manager who would be responsible for any dealings between the tenant and the Housing Authority.
- b) Each tenant should be contacted on a scheduled basis to review problems.

2. Housing Manager/Tenant Representatives

Problems that cannot be resolved through the normal tenant/Project Manager process should be referred to the next level -- Housing Manager and Tenant Representatives. To develop this process, the Housing Authority should:

- a) Provide tenants with procedures and guidance (if requested) to elect "bona fide" tenant representatives.
- b) Provide meeting room facilities for tenant meetings.
- c) Arrange meetings between bona fide tenant representatives and Housing Manager to resolve problems that cannot be resolved between the tenant and his Project Manager.

3. Housing Authority Board of Directors/Community-wide Tenant Group

To resolve problems that cannot be dealt with by the Housing Manager, the Housing Authority Board of Directors should be prepared to recognize and meet with a community-wide tenants agency (an organization that would include both public housing and private tenants). Housing Authorities should:

- a) Recognize community-wide tenant groups with public housing tenants
- b) Be prepared to meet with legitimate community-wide tenant representatives to deal with public housing problems.

4. OHC Board of Directors/Province-wide Tenant Groups

To deal with problems of housing policy that cannot be satisfactorily resolved at the Housing Authority level, OHC Board of Directors should be prepared to meet with province-wide organizations that represent both public and private housing tenants across the province.

- a) OHC Board of Directors should recognize a province-wide tenants group as the legitimate voice of public housing tenants in Ontario.
- b) OHC Board should be prepared to meet with the established representatives to discuss questions of housing policy and its implementation across the province.

These steps should provide an effective means for tenants to communicate with and influence public housing policy and its interpretation. It would preclude the need for tenant appointment to Housing Authority Boards. It would also require that funding for tenant organization be provided by community oriented groups rather than those associated solely with public housing.

A STANDARDIZED APPROACH TO
ORGANIZATION AND STAFFING

Effective housing operation will depend in large measure on the way Urban and District Authorities are organized and staffed. To ensure a uniform and acceptable

level of performance there is need for a standardized approach whereby Housing Authorities of similar size and characteristics adopt (within limits) the same organization structure and types of staff. A proposed standardized approach, discussed in detail in Appendices 'B', 'C', and 'D', is summarized here under six headings:

1. The Concept of Organization
2. Model Structures
3. Staffing
4. Salaries and Fringe Benefits
5. Professional Development
6. Cost of Implementation

1. The Concept of Organization

Given the particular needs and problems of managing public housing, effective management requires establishing strong lines of communication between tenants and management. This can be most effectively realized through a project management concept whereby individual Project Managers are held directly accountable for all matters pertaining to a prescribed number of dwelling units. This concept requires that other services such as maintenance, tenant and community relations, accounting, etc., provide staff support to the Project Manager. The implication is for a more prominent role for the Project Manager. Not only should he assume full responsibility for his tenants, but he should also be located on the project, whenever practical.

MODEL ORGANIZATION FOR URBAN AUTHORITY ADMINISTRATIVE STAFF

2000 Units
19 Staff

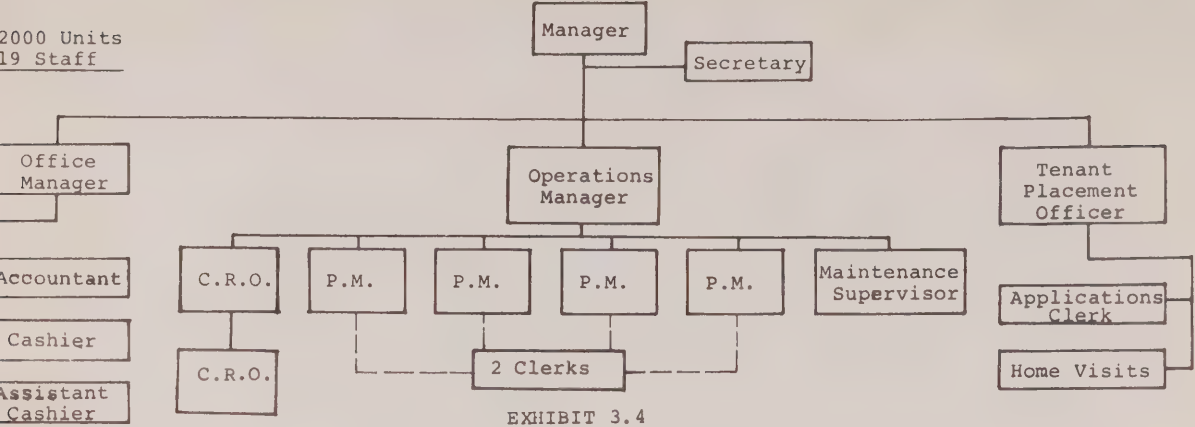


EXHIBIT 3.4

To reinforce this concept and ensure its application, standardized approaches for internal organization should be provided for each Authority along with the appropriate number of positions in each functional area needed to service the number of units to be managed.

2. Model Structures

The different characteristics of Urban and District Authorities suggests that two basic forms of organizational model would be appropriate for the proposed decentralized structure.

Urban Model

The larger municipalities with over 1,000 public housing units already have a complete range of full time staff. Therefore, an urban model can be patterned after a Housing Authority organization that is satisfactorily meeting the public housing requirements. Windsor Housing Authority was chosen for this purpose. By applying the rules developed in making a model urban organization for Windsor, five different urban models were developed for Authorities ranging from 1,000 to 5,000 units. Exhibit 3.4 illustrates an urban model for a 2,000 unit Authority. A comparison of staff requested in 1972 by the major Authorities against the proposed standards indicated the soundness of the overall model approach for Urban Authorities.

MODEL ORGANIZATION FOR DISTRICT AUTHORITY ADMINISTRATIVE STAFF

2000 Units
15-30 Municipalities
12 Staff

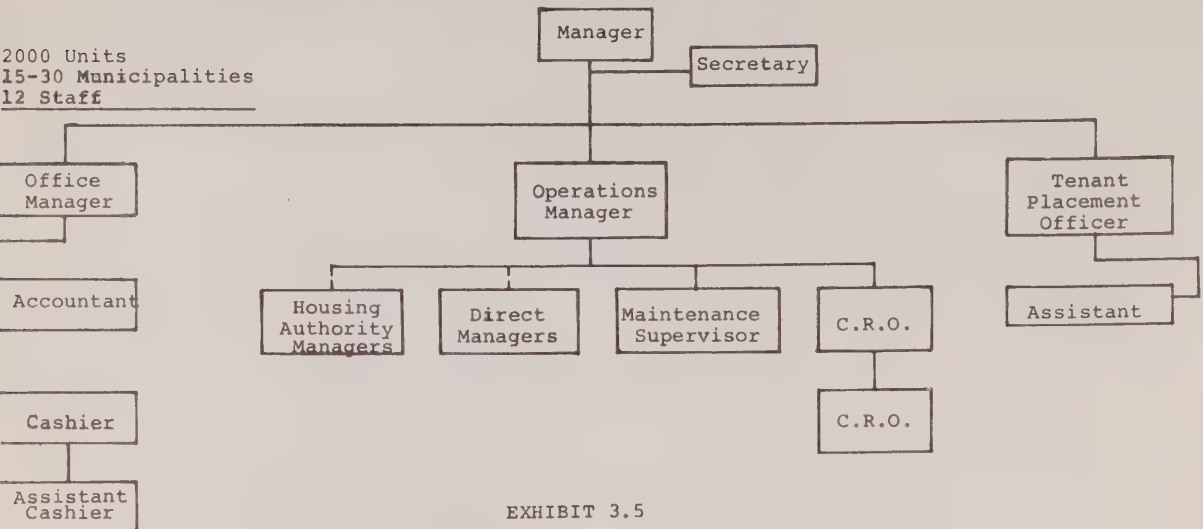


EXHIBIT 3.5

District Models

While the District Authorities will have the same functions as the Urban Authorities and will require at least as many staff, the disposition of these staff members may be different because of the number, location and size of existing Housing Authorities and direct managed operations already in the districts. Model organizations for districts should therefore give guidance in organizing both district offices and the smaller Authorities located within the districts. From an analysis of the functions and operating parameters of Housing Authorities in general, model organizations were developed for the district offices of the proposed Authorities and for smaller Authorities within districts. Exhibit 3.5 illustrates a district model for a 2,000 unit Authority.

Although the basis of these urban and district models appears to be reasonably sound, and in most cases should provide adequate guidance in projecting staff increases with growing portfolios, there may be situations requiring special considerations. For example, the need for bilingual CRO's in Ottawa or the installation of automatic accounting equipment could result in a change in staff requirements from those indicated in the models. Nevertheless, the models will be useful tools in making changes in Housing Authority organization and in planning for additional staff based on the projection of new units under management. However, before staffing of the Authorities can be considered, the position descriptions and qualifications for each position in the organization must be established. Appendix 'B' contains descriptions for some of the key positions in the Housing Authorities.

3. Staffing

A comprehensive personnel policy for selection and hiring of Housing Managers and other staff is essential.

Selecting Managers

A uniform system of recruitment, selection and hiring is required to control the supply and calibre of Managers in the Authorities and to attain a consistent level of property management performance throughout the province. A new approach is proposed to achieve this objective.

In keeping with the philosophy of local autonomy, the ultimate decision to hire a Manager candidate should remain with each Authority. However, the proposed approach envisages a new role for OHC in recruiting, selecting and hiring suitable Manager candidates. These candidates should be employees of OHC initially. When an Authority is looking for a new Manager, a number of these candidates should be put forward by OHC, interviewed by the Authority Board and an appointment made.

During his appointment with an Authority, a Manager should be on secondment from OHC and will be responsible to the Board who should pay his salary and fringe benefits.

The Manager could be either a Civil Servant or on contract to OHC. Civil Servant status would be the most suitable choice from the point of view of job rotation and salary and fringe benefit equality with other OHC staff. However, as the Managers must be

able to report directly to Authority Boards, the regulations concerning Civil Service employment must contain provision for secondment, or this cannot be considered a viable alternative. Contract status for Managers would require some special provision to meet the requirements for job security and professional development, which would make this approach more complex than the Civil Servant alternative. Appendix 'C' describes some of the provisions that would appear necessary to implement a contract employee status for Housing Managers.

Selection of Other Staff Members

Primary responsibility for the selection and hiring of staff for the Housing Authority should be held by the Housing Manager, subject to the approval of his Board of Directors. In carrying out this responsibility, the Housing Manager should follow the guidelines and procedures for staffing set down by OHC. The principal ones being:

- Development of a position specification outlining the major responsibilities, authorities and duties.
- Establishment of a salary classification that fits within the guidelines established by OHC.
- Establishment of the qualifications and experience of acceptable candidates.

4. Salaries and Fringe Benefits

Although the new Housing Authorities should employ their own staff, it seems appropriate, in the interests of uniformity, for OHC to provide salary scale guidelines to the Authorities which reflect a comprehensive approach to salary administration for the entire property management function. Similarly, a uniform approach to fringe benefits for all Authorities, would be desirable to attract competent staff and encourage job rotation.

Salaries

In developing a comprehensive approach to salary administration, a number of criteria must be considered.

Criteria

The following criteria have been developed to provide guidance in designing an equitable and effective salary scale for property management. A new salary scale should:

- Incorporate all management personnel in the property management function.
- Reflect the relative responsibilities of the positions in the organization.
- Provide an incentive for advancement.
- Be competitive with comparable scales in other organizations.

PROPOSED SALARY SCALE
FOR ADMINISTRATIVE POSITIONS
IN HOUSING AUTHORITIES

PROPOSED SALARY RANGES (\$ 000)

<u>NO. OF UNITS UNDER MGT.</u>	<u>CLASS</u>	<u>HOUSING MANAGER</u>	<u>OPERATIONS MANAGER</u>	<u>OFFICE MANAGER</u>	<u>TENANT PLACEMENT OFFICER</u>	<u>COMMUNITY RELATIONS OFFICER</u>	<u>MAINTENANCE MANAGER</u>	<u>PROJECT MANAGER</u>
4000 - 5500	I	16-19	13-16	11-14	7-10	7-10	11-14	9-12
3000 - 4500	II	14-17	11-14	9-12	7-10	7-10	9-12	9-12
2000 - 3500	III	12-15	9-12	7-10	7-10	7-10	7-10	7-10
1000 - 2500	IV	10-13	-	7-10	7-10	7-10	7-10	7-10
200 - 1500	V	8-11	-	7-10	combined 7-10		7-10	7-10
0 - 200		Part-time	-	-	-	-	-	-

EXHIBIT 3.6

EXAMPLE

URBAN & DISTRICT ORGANIZATION

<u>No of Units</u>	<u>SOUTH WESTERN REGION</u>					<u>No. of Units In Region</u>
	WINDSOR	LONDON	HAMILTON**	DISTRICT 1 (16)	DISTRICT 2 (16)	
PRESENT:	2258	1275	3427	755	1545	9260
PLANNED:	2958	2503	4333	1203	2320	13317

	<u>CENTRAL REGION</u>						
	KITCHENER WATERLOO	DISTRICT 3 (32)	DISTRICT 4 (25)	DISTRICT 7 (24)	DISTRICT 8 (4)	DISTRICT 9 (10)	
PRESENT:	898	1586	1777	1077	451	761	6550
PLANNED	1400	2492	3322	2808	808	1092	11922

	<u>EASTERN REGION</u>			
	OTTAWA	DISTRICT 6 (12)	DISTRICT 5 (13)	
PRESENT:	2014	534	1368	3916
PLANNED:	4917	1115	2675	8707

GRAND TOTALS

PRESENT: 19726
PLANNED: 33946

* Numbers in brackets indicate the municipalities
in each district

* Includes Hamilton Housing Co.

EXHIBIT 3.7

These criteria have been applied to the design of a proposed property management scale.

● Proposed Salary Scale

Seven Housing Authority positions have been considered on a proposed salary scale, including Housing Manager, Operations Manager, Office Manager, Tenant Placement Officer, Community Relations Officer, Maintenance Supervisor, and Project Manager. Exhibit 3.6 illustrates the proposed scale for these positions based on the number of units under management. A range of \$3000 was adopted as a standard which allows for, say, six \$500 merit increases in any one class. The overlap between ranges was set at \$1,000 which is in keeping with normal practice.

Housing Manager

The scale for Housing Manager, the key position in the Authority, was established based on the objective of minimizing changes in current salaries and meeting the salary scale criteria. Exhibits 3.7 and 3.8 illustrate that the proposed scales incorporate most of the existing Housing Managers' salaries without change.

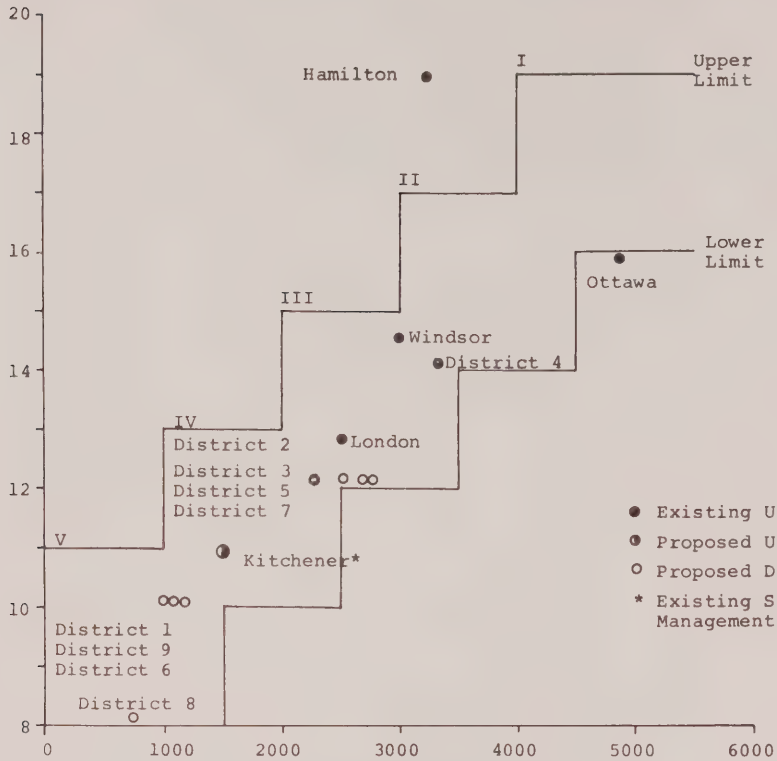
Other Authority Positions

Exhibit 3.6 illustrates the relationship between the proposed Housing Manager's scale and the other key positions in the Authority. The next most senior position in the Authority is the Operations Manager. As it is only in larger Authorities that an Operations Manager can be justified, the salary scale begins at the 2000 unit

PROPOSED HOUSING MANAGER SALARY SCALE

Showing: a) Existing salaries for Urban Authorities
b) Proposed salaries for District Authorities

Salary
(\$,000)



- Existing Urban Authorities
- Proposed Urban Authorities
- Proposed District Authorities
- * Existing Salary for Direct Management

EXHIBIT 3.8

or Class III level. The scale was established to meet range and overlap criteria and is positioned to rise to the starting salary of the Manager in the same Authority.

The Office and Maintenance Managers have been judged to be the next most responsible positions in the organization, and of about equal importance in terms of an efficient Authority. Therefore, their proposed salary scales are identical. The scale follows the rules of range and overlap down to 2000 unit Authorities. Below this, the salary ranges remain constant, being considered at the lowest level which will attract reasonably competent personnel in maintenance and office management.

Community Relations and Tenant Placement Officers (CRO and TPO) have similarly been judged of equal importance. Their proposed salary range is fixed and independent of Authority size, since their responsibilities do not normally increase with increasing units under management.

The remaining key position, Project Manager, is one of the most important in the organization. Project Managers form the primary and critical link between the tenants and the Authority. As the direct line of responsibility for property management is through the Housing Manager, the salary scale for the Project Manager position should reflect its relationship to these more senior line positions. Exhibit 3.8 shows two levels of Project Manager salary which allow for three basic positions -- Senior, Project Manager and Assistant Project Manager. The Senior

would normally work with two assistants while the Project Manager would work alone. The \$7,000 to \$10,000 range applies to the two lower positions and the \$9,000 to \$12,000 range to the Senior position. Senior Project Managers should only be appointed where there are more than 3000 units under management. These suggested salary ranges appear to be consistent with current salaries and meet the other general salary criteria satisfactorily.

In summary, salary scales for the seven key Authority positions have been developed which are internally consistent and generally in line with salaries currently being paid by the Authorities. These scales can provide a useful reference and guideline for evaluating the necessity for salary adjustments and for maintaining a generally uniform property management salary policy throughout the province.

b) Fringe Benefits

In order to attract the desired calibre of professional management, the compensation for Housing Authority management jobs will have to include competitive fringe benefits. This is not the case at the moment and a new fringe benefit program for Housing Authorities should be considered. Any new program should:

- Create a secure environment for career professionals.
- Compete with other organizations in personnel recruitment.

- Facilitate employee rotation, transfer and promotion.
- Offer benefits at least equivalent to Hamilton and Windsor.
- Allow incorporation of existing Housing Authority programs without loss of benefit.

These criteria have been used in assessing the merits of existing Authority fringe benefits and also those offered to OHC employees.

An analysis of Housing Authorities indicates that there were only a few with benefit programs, and of those Hamilton and Windsor appear to be the only two which have comprehensive fringe benefit programs. None of the programs analyzed is portable.

Of the four major groups of OHC employees, the Civil Servants and maintenance staff have fringe benefits which compare favourably with industry and government and could be considered as possible models for a new Authority package. In considering the requirement for job rotation in the proposed approach, a benefit package similar to the Civil Service Association of Ontario (CSAO) package would probably satisfy the criteria. In this way, Authority Managers being rotated through metro and OHC head office positions would maintain the same level of benefits whether they were Civil Servants or contract employees.

The main elements of this new fringe benefits package should be:

Group Life Insurance

OHSC

OHSIP

Paid Sick Leave

Paid Personal Leave - military, educational

Paid Gratuities

Vacation

Staff Holidays

Pension

Long Term Income Protection

The benefit package should be installed at all Housing Authorities and by agreement, be portable between Authorities, OHC head office and metro operations, if possible. Provision must be made for Authority employees currently on benefit programs so that no benefit loss will occur on conversion to the new program.

5. Professional Development

The recommended approaches to selection and hiring, salary scales and fringe benefits have been designed to meet the objective of attracting, retaining and developing qualified housing management personnel. Since professional development will occur mainly as a result of exposure to more demanding situations in new locations, the success of any professional development program will depend on the ease with which Housing Managers can be moved to new positions and the extent to which moves are planned.

Staff Rotation

The proposed approaches to hiring, salaries and fringe benefits are designed to overcome many of the inherent difficulties in making staff transfers and promotions in the existing system. For example, if the salary scale recommendations are adopted, it will be possible for a present Housing Authority employee to progress from a Housing Manager at the lowest level to the highest positions in the OHC property management organization along a continuous graduated income scale. This not only helps provide a mechanism for advancement, but also promotes the incentive to develop professionally.

In much the same way, the ability to move a Manager into head office provides an opportunity for professional development currently denied to Housing Managers. During their appointments at head office, Managers will gain both from their experience with head office operations and OHC formal management courses which should form part of their professional development program.

Career Planning

The actual program for rotating staff will have to be carefully conceived to provide the experience at the appropriate time in a Manager's career, and in such a way that it will not interfere with his promotional opportunities. A suggested scheme would envisage that the

twenty Class V Managers plus ten staff in metro divisions and ten staff in head office, of equal rank, form the basis of the rotation program. Since appointments will be made on average after two years service in any position, then ten authority, five metro and five head office positions would be filled each year. On this basis, it would take eight years for the 40 people involved to have completely rotated, and in that time each individual would have held four jobs - two in Authorities, one in head office, and one in metro.

Such a program would provide variety of exposure in the early years of a Manager's career, and allow him to concentrate on applying his experience in the later years. A manager may start as a Class V Manager, then be appointed to metro and head office, returning to an Authority as a Class IV Manager four years later. If he joined OHC in his mid-twenties, he would now be in his early to mid-thirties, a seasoned, well-matured Manager ready to take on greater responsibilities. From this point on the Manager will be concentrating on high levels of performance in his Authority, looking forward to promotions in the Authorities and ultimately senior postings at Head Office in property management.

These are the suggested personnel policies which should be considered and implemented to make the proposed organization work. The District and Urban Authority concept provides for and can justify professional

ORGANIZATION AND STAFFING

SENIOR STAFF REQUIREMENTS FOR DISTRICT AUTHORITIES

<u>A. STAFF REQUIREMENTS</u>	<u>PLANNED UNITS</u>	<u>MANAGER</u>	<u>OPERATIONS MANAGER</u>	<u>OFFICE MANAGER</u>	<u>MAINTENANCE SUPERVISOR</u>	<u>CRO</u>	<u>TPO</u>	<u>TOTAL</u>
District 1	1200	1		1	1	1	1	5
District 2	2300	1	1	1	1	2	1	7
District 3	2500	1	1	1	1	2	1	7
District 4	3300	1	1	1	1	3	1	8
District 5	2700	1	1	1	1	3	1	8
District 6	1100	1		1	1	1	1	5
District 7	2800	1	1	1	1	3	1	8
District 8	800	1		1	1	1	1	5
District 9	1100	1		1	1	1	1	5
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Totals		9	5	9	9	17	9	58
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
B. AVAILABLE FROM OHC		9	5	0	9	0	0	23
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
C. REQUIRED NEW STAFF		0	0	9	0	17	9	35

EXHIBIT 3.9

management positions in each area of the province. However, attracting, retaining and developing professional Managers to fill these positions is dependent on a personnel policy which recognizes the particular needs of prospective Managers and the long term interest of OHC in their development. The proposed new approach is made with these requirements in mind.

6. Cost of Implementation

The major implementation task will be establishing the nine new District Authority organizations and staffing them. In addition there may be some adjustments required in the Urban Authorities, to bring them in line with the proposed province-wide organization and staffing approach.

District Authorities

The organizations suitable for District Authorities will, in general, be patterned after the appropriate organization models. Using the districts presented as examples, the models indicate that the senior staff requirements for the district office will total about 58. Exhibit 3.9 shows the breakdown of staff required by district office.

Many of these new positions can be filled by head office staff who will be redundant after the decentralization. Exhibit 3.9 indicates that probably 23 of the key positions can be filled this way, leaving a requirement for about 35 new staff members. In addition, there are a number of small Authority and Direct Managers in the districts whose salaries should be adjusted to be brought in line with the new scale.

Urban Authorities

Although the Urban Authorities are fully staffed, the analysis of their organization and staffing indicates that some adjustments in personnel and salaries may be warranted to bring them into line with the proposed province-wide approach.

In summary, the cost of implementing this proposed decentralized approach to public housing in the province and instituting a uniform salary scale throughout the property management function will primarily be represented by the addition of 35 new professional staff and supporting clerical help plus adjustments to existing salaries, where appropriate, to bring them in line with the new scales.

4. IMPLEMENTATION

The recommended approach to management of public housing in Ontario involves substantial change in administrative systems, organization and staffing and management philosophy. Changes in administrative systems and organization and staffing can be implemented quite readily. However, changes in management philosophy require adjustments in behaviour that will be more difficult to introduce. Implementation should aim at achieving all of these objectives. There are several major steps to be completed in succession to fully implement decentralized management.

- Determining how OHC's property management organization should interface with Housing Authorities.
- Carrying out pilot projects to thoroughly test and document a decentralized system of administration.
- Establishing Urban and District Housing Authorities across the province.
- Making decentralized management work.

OHC ORGANIZATION

The first step to implementation is to determine how OHC should be organized to interface with the Urban and District Housing Authorities. Clearly, the process of decentralization will eliminate the need for much of

OHC's present property management field organization. Staff members displaced by the changes would be logical candidates for housing management positions in the new Housing Authorities.

Managing through a system of relatively autonomous Housing Authorities will substantially change the role of OHC's provincial property management staff from that of direct management and staff assistance to that of ensuring that Housing Authorities carry out their responsibilities according to the policies and guidelines established by OHC. Under the proposed approach OHC's provincial property management should be organized to carry out the following principal functions:

1. Budgeting & Financial Control:

- Setting guidelines and procedures for budget preparation, submission and approval.
- Reviewing and approving submissions
- Issuing approved budgets to Housing Authorities
- Reviewing and approving special expenditures not included in budgets.

2. Management Development

- Setting policies and guidelines for organization and staffing - position specifications; salaries and fringe benefits; organization structures.
- Identifying candidates for promotion
- Co-ordinating transfers and promotion.
- Providing training and management development processes and procedures.

3. Housing Policy Development

- Developing housing policy in co-operation with Housing Authorities.
- Providing counsel and advice to managers and Boards in the interpretation of policy statements.
- Maintaining up-to-date records of policies and issuing manual revisions when necessary.

4. Management Audit

- Developing and issuing policies and guidelines for housing management.
- Instructing Housing Authority personnel in the use and application of guidelines.
- Carrying out periodic management audits of operations for the principal functions.
 - Tenant Placement
 - Community Relations
 - Maintenance
 - Finance & Administration

5. Systems and Procedures

- Developing new systems and procedures for carrying out the major functions.
- Working with Housing Authorities in testing and implementing new systems and changes to existing systems.
- Preparing and issuing detailed instructions for inclusion in the operating manuals.

These functions are critical to the success of a decentralized system and OHC must be in a position to provide these services before moving to decentralized management.

PILOT PROJECTS FOR DECENTRALIZED ADMINISTRATION

All projects completed by OHC since 1964 are being administered centrally. Under this approach all rents are accounted for on a central basis and all disbursements are made by OHC's head office in Toronto. Furthermore, all transactions and bookkeeping records are computerized. The decentralized administration that is recommended requires that each Urban and District Housing Authority carry out its own administration and maintain a full set of records.

Since the implementation of this approach will have to be carried out over several months, any changes in administrative process must be introduced without disrupting the present system. Therefore, it is essential that new processes be developed on a pilot basis and thoroughly worked out and tested before being introduced to other Authorities.

Objectives of the Pilot Projects

The basic objective of the pilot projects will be to set up and document an Urban and a District Housing Authority as independent administrative units with full responsibility for carrying out all aspects of housing administration. This will include revenue accounting and disbursements, and the maintaining of a complete set of financial records subject to financial audit. In doing this, records must be kept that are compatible with OHC's central accounting system in order to maintain continuity and control during the extension of this system to other authorities.

PRESENT PURCHASING SYSTEM

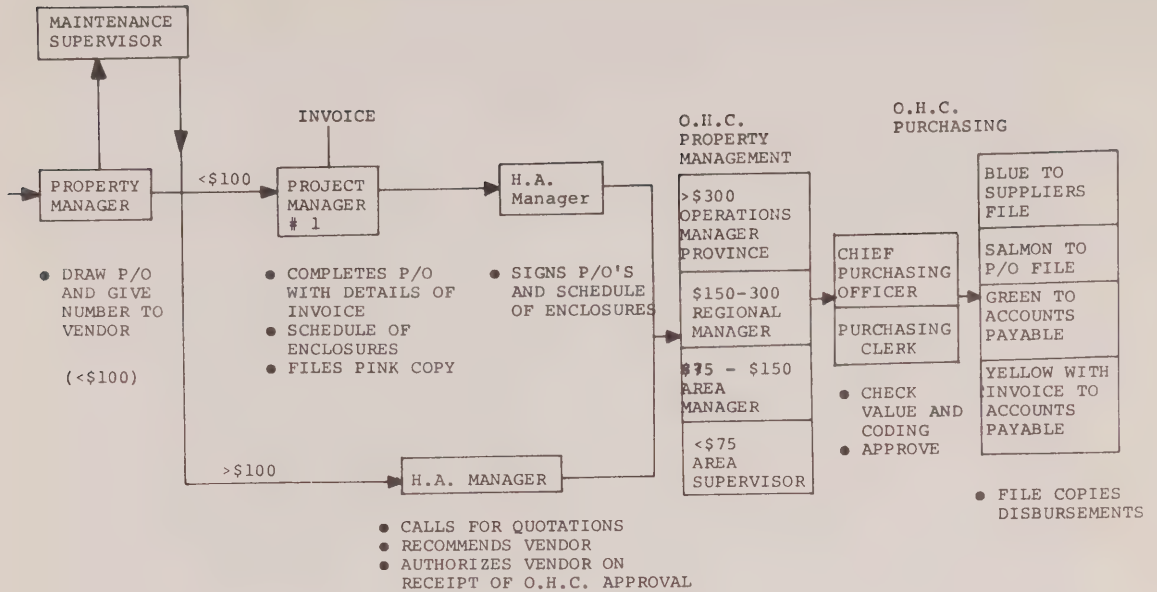


EXHIBIT 4.1

PROPOSED PURCHASING SYSTEM

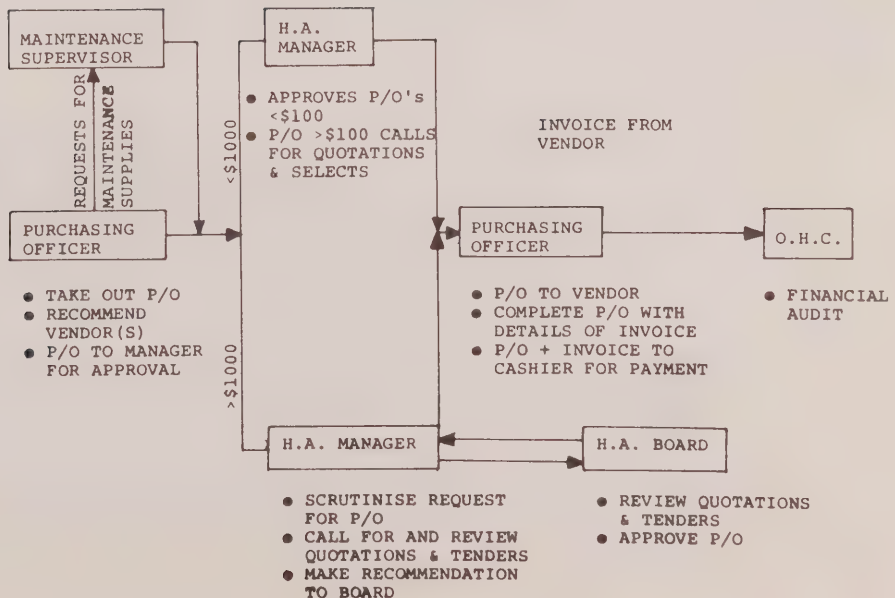


EXHIBIT 4.2

Approach

The approach to carrying out the pilot projects should be to develop the capability within a Housing Authority to perform the new administrative functions efficiently and effectively. This will involve establishing the number and types of personnel and the basic systems and procedures necessary to carry out these functions. At an appropriate month-end the new functions can be cut-over to the Housing Authority. The systems will not be run in parallel. By reconciling the books at the end of a period and starting a new period on the new system, the difficulties of running the two systems in parallel can be avoided.

Introducing these changes will involve four major areas:

- Purchasing
- Rent administration
- Disbursements
- Accounting.

1. Purchasing

Changes in purchasing procedures can be introduced on a pilot basis in three major steps. Exhibit 4.1 shows the present system and Exhibit 4.2 shows an example of a proposed system.

a) Change spending authorities:

Housing Authority Managers approve expenditures up to \$1,000.

Housing Authority Board approves expenditures over \$1,000 and included in the budget.

OHC Property Management approves expenditures not included in the approved budget.

PRESENT RENT COLLECTION

SYSTEM FOR O.H. UNITS

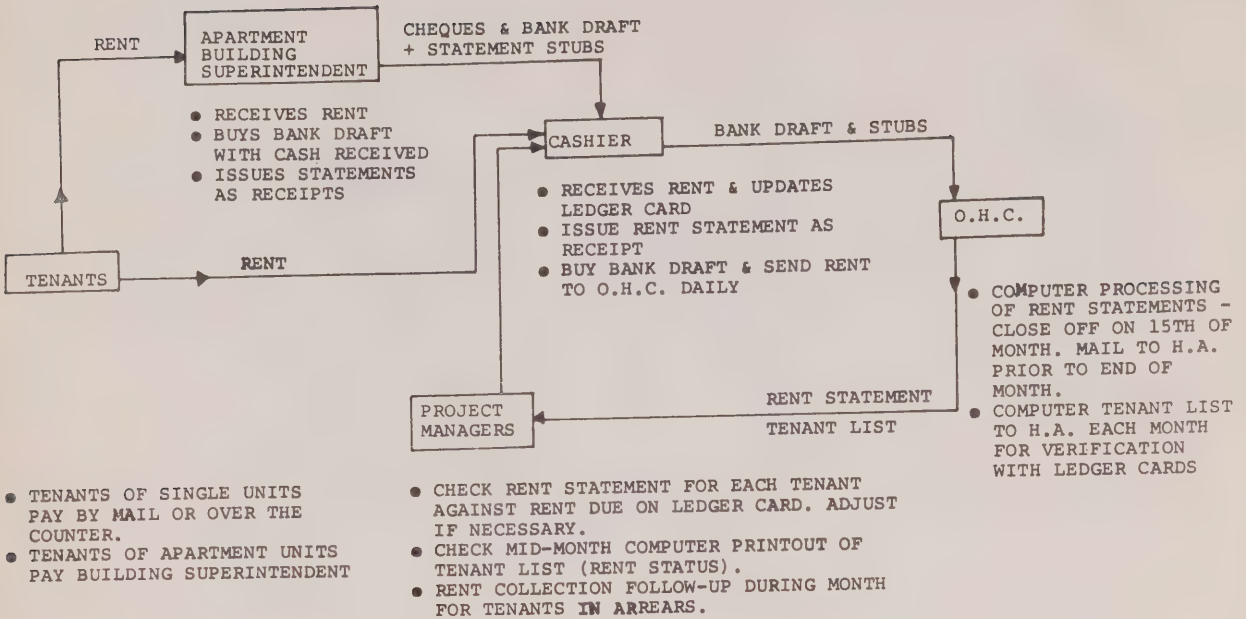


EXHIBIT 4.3

PROPOSED RENT COLLECTION SYSTEM

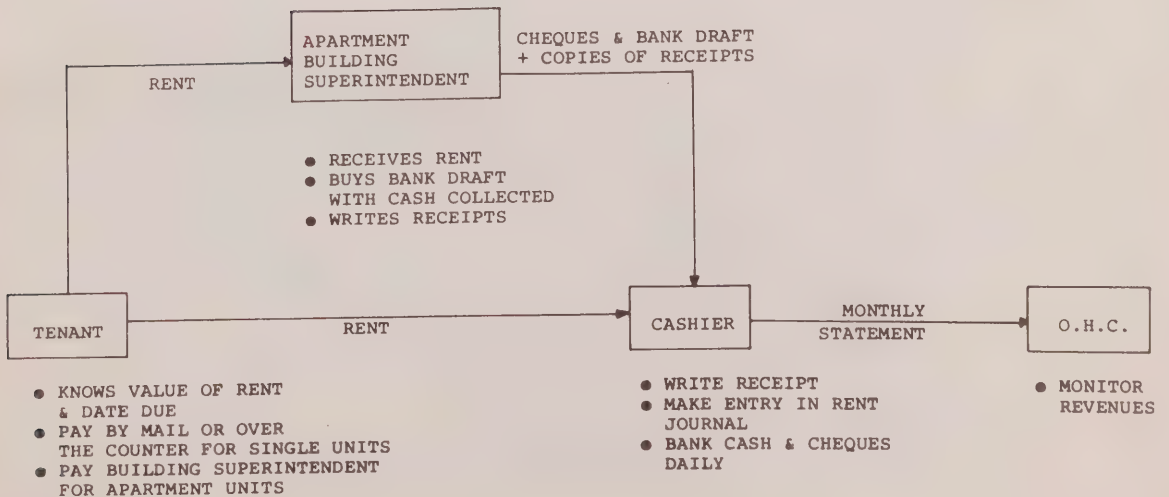


EXHIBIT 4.4

b) Adopt new purchasing procedures:

Less than \$100 - no quotations necessary, vendor selected by purchasing officer.

\$100 to \$2,500 - Quotations invited from at least three vendors

Over \$2,500 - Call for public tenders.

c) Change administrative processes:

Re-assign responsibilities,

Modify forms flow,

Introduce new approval procedure.

2. Rent Administration

Changes required to decentralize rent administration are relatively uncomplicated but must be closely co-ordinated with the centralized accounting system. Exhibits 4.3 and 4.4 show an example of the present and a proposed system, implementation of which would involve:

a) Setting up new procedures

- Rent journal
- Bank account
- Cash controls.

b) Changing responsibilities and authorities

- Assignment of responsibilities
- Spending authorities

c) Tying in with the Centralized System

- Preparing monthly inputs
- Reconciling records.

3. Disbursements

Housing Authorities with F.P. units already have organizations staffed to handle the disbursements associated with F.P. projects. Initially, these systems could be extended to deal with OH units, to facilitate the cut-over from the centralized system. New and improved systems could be developed following the cut-over. Establishing local control will involve:

a) Assigning responsibilities and authorities

- Providing additional staff if necessary
- Assigning responsibilities

b) Setting up procedures and records

- New accounts
- Approval procedures
- Financial controls

c) Co-ordinating change-over

- Reconciling records
- Arrangements with local bank
- Preparing monthly reports.

4. Accounting

In conjunction with the changes in Purchasing, Rent Administration and Disbursements, complete accounting records must be set up prior to the cut-over date.

a) Assign responsibilities for bookkeeping and financial control:

- Provide staff if necessary
- Assign responsibilities.

b) Prepare new accounts for:

- General ledger
- Rent Journal/Accounts Receivable
- Accounts Payable
- Cheque Register
- Payroll
- Bank Account.

c) Co-ordinate Change-over:

- Reconcile records
- Arrange cut-over date
- Prepare monthly reports.

Implementation Schedule

A successful pilot project in an Urban Authority involving the steps outlined here would take about four months: three months to develop the new processes and co-ordinate the change-over and a month to test and document the results. It would also require the full co-operation and assistance of OHC's central accounting staff to ensure that any changes made in the Authority would not affect the central records.

ESTABLISHING URBAN AND
DISTRICT HOUSING AUTHORITIES

Having developed fully-tested procedures for decentralized administration, steps can be taken to establish Urban and District Housing Authorities. However, the different characteristics of these types of authorities requires a different approach to implementation.

Urban Authorities

Implementation of recommendations with respect to Urban Authorities requires little in the way of organizational change, the change being mainly administrative and behavioural. The larger municipalities already have a Board of Directors and an established full-time staff. Moreover, since most of the larger municipalities are handling F.P. units, the fundamentals of a decentralized process of administration already are in place. Thus, for the larger urban centres implementation will involve:

1. Reviewing the present organization and staffing of the Housing Authority and introducing changes needed to meet guidelines in terms of:
 - a) Number and types of positions
 - b) Reporting relationships
 - c) Duties and responsibilities
2. Assigning the Board of Directors full responsibility for managing public housing units in their jurisdiction according to the guidelines and management agreement laid down by OHC.
3. Approving and issuing a budget for the operation of the Housing Authority and for maintaining the units under management.
4. Establishing spending limits for the Housing Authority full-time Manager, and procedures for Board review and approval of other expenditures that are within budget but beyond the spending level of the Manager.

5. Developing procedures for dealing with expenditures that are beyond the budget and beyond the authority of the Board.
6. Developing detailed administrative procedures for decentralized administration.
7. Developing and issuing manuals outlining policies and guidelines for carrying out the major functions of housing management.

District Authorities

The establishment of District Housing Authorities represents a more significant change and should be carried out in two phases:

The first phase should focus on establishing the groupings of municipalities that would logically make up a district and setting up a district organization for direct management. Having established the district organization and developed the processes for effectively managing housing on a district basis, the second phase would be to appoint a Board of Directors from the district and establish a District Housing Authority. This would not delay establishing the administrative side of the pilot project whilst going through the process of forming a Board, keeping in mind that this is only a pilot scheme.

Phase I - Direct Management of Districts

1. Select a logical grouping of municipalities that could be adequately serviced from a central location.
2. Appoint a District Housing Manager and assign him full responsibility for the management of housing in the district, working where necessary with existing local Housing Authorities.

3. Issue a budget for operation of the district office and the operation and maintenance of housing in each municipality in the district.
4. Establish spending limits for local Housing Managers and District Managers and develop procedures for approving expenditures beyond budget limits.
5. Establish a district organization.
6. Develop and issue detailed administrative procedures for decentralized administration.

Phase II - Establishing District Housing Authorities

Once a district is operating smoothly on the basis of direct management, steps can be taken to establish the District Housing Authority.

1. Appoint a Board of Directors from the municipalities included in the district.
2. Assign the Board full responsibility for the management of housing in the district according to the guidelines and management contract established by OHC.
3. Transfer the District Housing Manager and his staff to the newly created District Housing Authority.

MAKING DECENTRALIZED MANAGEMENT WORK

The changes to administrative procedures and organization will provide the framework for decentralized management of public housing. Ultimate success, however,

depends on how effectively OHC can develop new working relationships with Housing Authorities. Making decentralization work will require:

- Clear and up-to-date manuals detailing guidelines, systems and procedures.
- Mechanisms to provide financial and operational control.

Manuals

An important part of a new approach to managing public housing and one of the critical needs is a complete and up-to-date manual containing guidelines, systems and procedures for carrying out the day-to-day management of the Housing Authority. As part of our work, we have prepared a manual for Housing Authorities which documents policies, procedures and guidelines for carrying out the principal functions. This manual documents established policies and procedures in six major areas: General Housing Policies; Tenant Placement; Community Relations; Maintenance; Organization and Staffing; and Administration.

Purpose of the Manual

The manual has three primary purposes:

1. To provide ready reference to the government's policies on public housing: The principal purpose of the manual is to ensure relatively uniform application of housing policy across the province. Thus, any changes in policy should be documented and issued to Housing Authorities in the form of an amendment.

2. To set guidelines for internal organization and management: A second purpose of the manual is to provide Housing Authority Managers with guidelines for organization and management including a proposed model of organization and recommended numbers and types of positions indicating salaries and fringe benefits. The manual should also provide the Housing Authority with detailed procedures for conducting the day-to-day business operations.
3. To provide material for staff training and development: A third purpose of the manual is to provide material for training and developing new staff members in the critical aspects of their jobs.

Keeping the Manual Up-to-Date

Once a manual is out of date, it can serve little or no purpose either as a guide for decision making or for training. Therefore, given that there is a need for a comprehensive documentation of policies, guidelines and procedures, it is equally important that any changes or additions are immediately incorporated. With this in mind, the manual should be designed to facilitate changes and additions. Each page of the manual should be numbered and colour-coded to the section. The issue date should be shown in the top right-hand corner. To keep manuals up-to-date:

1. All revisions should be co-ordinated and issued from a single source: To exercise effective control any changes to the manual must be issued by a specific department, which maintains a master copy of the manual and an issuing list of where the field manuals are located. While each functional area such as Tenant Placement, Community Relations, etc., will be responsible for developing policy in their own jurisdiction, it is important that provision be made for co-ordinating and issuing any changes to the manual from a single control point, so that general guidelines remain current and unambiguous.
2. Housing Authorities should assign specific responsibilities for keeping manuals up to date: Each Housing Authority should nominate a specific individual to be responsible for keeping manuals up to date. Part of the management audit should include determining if manuals are complete and current.

Procedures for Control

In addition to having guidelines and procedures for carrying out the management of public housing in the Housing Authority, it is essential that procedures be adopted that ensure that these guidelines are followed. Procedures should be developed for two areas: budgeting and financial control, and operational audit.

1. Budgeting and Control: The first requirement of effective decentralization is a realistic budget detailing expenditures for each aspect of operations. This budget should be developed by the Housing Authority Manager according to instructions and guidelines established by OHC and approved by the Board of Directors prior to submission for approval. Following approval by OHC the Housing Authority should be given full authority for spending to the limits set by the budget for each major category of expenditure.

An important requirement is to have budgets approved before the beginning of the budget period. To do this procedures and schedules must be developed that will clearly define responsibilities for developing, processing and approving budgets. Deadlines must be established for completing each phase of the process to ensure that new budgets can be issued before the beginning of the budget period.

A second requirement is the provision of regular reports of expenditures against the budget, with an explanation of any variances between actual and planned expenditures. Budget reviews should be conducted each month by the Board of Directors and reported quarterly to OHC.

At the end of each financial year, the books of the Housing Authority should be examined by a public audit firm and the results submitted to the Housing Authority Board of Directors.

2. Operational Audit: In the management of public housing perhaps more important than financial control is to ensure that the major housing policies are being applied within established guidelines. This will require a regular operations audit of Housing Authorities whereby OHC representatives would systematically review practices and policies being applied in the major functional areas against the established guidelines. Audit reports outlining performance would be submitted to the Housing Authority Board of Directors and OHC field property management. Continued non-conformity to guidelines should be considered violation of the management agreement and provide grounds for changes in management after any such dispute is heard before the Board and OHC representatives.

* * * * *

The centralized approach for management of public housing that is currently being used is clearly inadequate for handling the volume of units planned for the next several years. We are convinced that the approach to decentralized management outlined in this report will provide the framework for handling this growth and future expansion. It should be recognized, however, that organizational change is only the first step, the more important steps involve the changes in management process and *attitude* that are needed to make it work. Given the rate of change, it is important that implementation be started immediately.

APPENDIX 'A'

TENANT PARTICIPATION

Tenant participation in the management of public housing is one of the most controversial issues facing public housing administrators. Much of the problem in this area arises out of the wide range of interpretations and meanings associated with the term "tenant participation". Interpretations range from tenant self management on one hand to tenant advisory bodies on the other. Regardless of the interpretation however, it is clear that public housing tenants -- at least those in the urban centres -- are seeking to have greater influence on the decisions that affect their lives. Accordingly, the issue to be resolved is "how can tenants become constructively involved and contribute to the decisions on public housing management". To deal with this question in this appendix, we will:

- Examine the nature and causes of tenant problems
- Outline some criteria for a new approach
- Examine two basic approaches
- Develop some recommendations

THE NATURE AND CAUSES OF TENANT DISSATISFACTION

Based on discussions with tenant groups and reviewing the literature on tenant dissatisfactions, tenant problems can be grouped in three basic categories; physical and administrative; sociological; philosophic and political.

1. Physical and Administrative. The first set of problems of concern to the public housing tenant relates to the physical characteristics of the housing project and the way the project is being managed. Dissatisfaction and problems arise when maintenance is not carried out efficiently, when garbage is not collected on time, lawns are not cut etc. Similarly, there is dissatisfaction when rents are not adjusted as promptly as they should be or when other types of administered services are not carried out.

These problems, while they can be serious problems, are largely a function of management and can typically be dealt with on-site. Policies on these matters are usually clear and major difficulties arise through differences in interpretation.

2. Sociological. A second group of problems arise out of sociological conditions, that is how tenants feel about their neighbours and the rest of society.

One of the most important sources of tenant problems relates to how the tenants feel about being a public housing tenant. For some, it is admission of failure and engenders a deep sense of resentment whereas others give up and make little further effort. The sense of alienation that develops among these people is an important source of problems and dissatisfaction.

Another source of problem relates to how the public housing tenant views his fellow tenants. The current demand for housing and the shortage of low cost housing in the larger urban centres creates concentrations of

problem families such as single parent and large families, some of whom behave in a way which is offensive to their neighbours. This poses difficult questions for management charged with the welfare of the project as a whole in addition to specific families.

The sociologically based problems are among the most difficult for management and while there are typically policies for dealing with the more common types of problems, they require careful interpretation and can lead to serious conflict.

3. Philosophic and Political. A third category of problem and the most difficult to deal with is the set of tenant problems arising out of the way society feels about public housing and the political interpretation of that feeling. Questions such as the level of quality of public housing, rent subsidies, qualification for selection, etc., are examples of problems that fall into this category. An example of a tenant problem that illustrates its complexity is a recent issue concerning whether or not striking tenants should be given rent relief or concessions during the strike. This type of decision has implications well beyond public housing considerations.

These broader questions are the most complex and difficult to resolve in that they usually involve changes or modification to both Provincial and Federal Government policy and as such are beyond the powers of Housing Authorities to deal with.

For each of these three categories of problems, there are basically three underlying causes:

- a) Inadequate policy or conflicting views on what the policy should be,
- b) Differences of interpretation of established policy,
- c) Inadequate performance in carrying out the policy.

Tenants can make a useful contribution in all of these areas providing there is a workable system for separating problems and referring them to the bodies with authority to deal with them.

CRITERIA FOR TENANT INVOLVEMENT

There is little question that public housing tenants can make a useful contribution and should have a significant involvement in the decisions that affect their lives. The question is what is the most effective way of gaining this input? Based on the nature of the problems and the limitations of existing methods it appears that a new approach should meet several criteria.

1. Recognize the differing needs of tenants across the province: Many public housing tenants particularly in smaller municipalities do not want to be identified as public housing tenants and have no interest in becoming involved in the decision-making process. This group, along with those desiring an active role, should be taken into consideration in any new approach.

2. Recognize the policy-making limitations of various levels of housing management. Given the different categories of problem and the underlying causes of difficulties, provision in any new approach must be made for referring problems to the body appropriate for dealing with them.
3. Emphasize community-wide aspects of housing and avoid public housing identities where possible. Given the sociological problems and sense of alienation created for some people in becoming public housing tenants, emphasis should be on community-wide involvement, rather than further segregation of public housing tenants.
4. Ensure legitimate tenant representation. The lack of leadership and the sense of alienation of many public housing tenants makes them vulnerable to exploitation, thus any new approach should ensure that tenant spokesmen truly represent the views of public housing tenants.
5. Should ensure equal opportunity for tenants across the province. While there is need to provide flexibility, there is also the need to ensure that tenants in one part of the province have the same opportunity to become involved as those in other parts of the province.

TWO BASIC APPROACHES

There are basically two approaches to achieving effective tenant involvement in the decisions affecting public housing. The first -- which could be called the "participatory approach" -- would aim at getting tenants viewpoints on decisions by having tenant representation as an integral part of decision-making bodies such as Housing Authorities, and higher level decision-making bodies. A second approach -- which might be called the "conflict resolution approach" -- would aim at getting tenant input into decisions in a more structured way by having tenant representatives make formal submissions to decision-making bodies and providing a mechanism for appeal to higher authority in the event that problems cannot be resolved.

Problems of the Participatory Approach

The participatory approach is, on the face of it, the more appealing approach. It seems to be more democratic and less bureaucratic than the more structured alternative. However, the participatory approach is weak for three principal reasons:

1. Depends heavily on the attitudes and characteristics of the Board. Having tenant representation on a decision-making Board can be very useful providing the majority of the Board members respect, and are willing to modify their decisions to meet the views of, the tenant representative. This depends of course

on the nature of the particular Board and the attitudes of the more influential members, and also on the character of the tenant representative.

2. Provides no solution for opposing views. Unless tenant representatives have the balance of power they are unlikely to have more than a marginal effect on key decisions. Even if Boards were composed of 50% tenants, there would still be the difficulty of resolving deadlock situations.
3. Does not ensure effective representation. As the only tenant or one of a small group of tenants on a Board, there is the danger that the tenant representative may not effectively represent the other tenants. As a Board member he is charged with Board responsibilities for overall management, not solely as the tenants representative. In the exercise of this responsibility, a tenant Board member can tend to become like other Board members and in the process alienated from the tenants.

In summary, the participatory approach to achieving effective tenant involvement in the decisions affecting their lives, as public housing tenants, can only work if tenants assume hold of the balance of power in the decision-making bodies. This necessarily implies full responsibility for management of their units.

Conflict Resolution - An Alternative

An alternative approach -- conflict resolution -- has as its underlying philosophy the notion that concerned tenants will be constantly trying to improve public housing conditions. This implies that tenants will be continually pushing for improvements that at a given point in time may not be economically feasible. This could also extend to tenant management of their own units through a process of negotiation. This approach effectively overcomes the limitations of the participatory approach by:

1. Providing an equal opportunity for tenants to be heard regardless of local attitudes: Unlike the participatory approach which is highly dependent on the characteristics and attitudes of individual Boards, a process for regular communication helps ensure an equal opportunity for tenants across the province to discuss their problems and air their views on housing policy.
2. Ensuring that tenant problems and viewpoints will be heard by decision-making bodies: Providing a formal process for meeting tenant representatives on a regular basis ensures that decision-making bodies are aware of tenant problems and viewpoints. Tenant representatives not charged with the full-time responsibility of a Board member can focus on presenting the tenants views without conflict.

3. Helps ensure legitimate tenant representation:
Tenants appointed to decision-making Boards are typically charged with broader responsibilities than merely being the spokesman for tenants. In the course of carrying out this responsibility tenants often lose confidence that their views are being adequately represented. Having tenant representatives solely responsible for dealing with tenant problems helps ensure legitimate tenant representation.
4. Providing for the orderly separation of the different types of problems: Another important advantage is that it provides a mechanism for referring problems to the decision-making bodies with authority to deal with them. Much of the frustration of the present approach stems from there being no process for separating problems and allocating them to the appropriate level at which they can be resolved.
5. Does not depend as heavily on the attitudes of a few individuals: Unlike the participatory approach where tenant influence on decisions, through Board representation, depends very much on the attitudes of the principal Board members, and the characteristics of the tenant Board members, this approach ensures that tenant problems are heard and views are presented independent of the attitudes of Board members.

TENANT INVOLVEMENT APPROACH

PUBLIC HOUSING MANAGEMENT

DISCUSSION

TENANT ORGANIZATION

OHC BOARD OF
DIRECTORS



PROVINCE-WIDE
TENANT GROUP

HOUSING AUTHORITY
BOARD



COMMUNITY-WIDE
TENANT GROUP

HOUSING MANAGER



TENANT REPRESENTATIVES

PROJECT MANAGER



TENANTS

GROUPS DISCUSS PROBLEM.
MOVES TO NEXT LEVEL IF
UNRESOLVED.

EXHIBIT A.1

RECOMMENDATIONS

Based on our analysis, we believe that given the current environment, the most effective method for gaining tenant involvement in the decisions affecting their lives is to adopt a conflict resolution approach. That is to assume that tenants will be continually trying to improve their conditions and to provide an orderly process for hearing discussing and resolving tenant problems. Thus, we recommend that a process be developed that provides for interaction between tenants and Housing Management at four levels. (Exhibit A.1)

1. Project Manager/Tenants

The bulk of tenant problems can and should be resolved at the project level and a Housing Authority organized under the project management concept provides the communications link to identify and deal with on-site problems. To achieve this:

- a) Each tenant should be assigned to one project manager who would be responsible for any decisions between the tenant and the Housing Authority.
- b) Each tenant should be contacted on a scheduled basis to review problems.

2. Housing Manager/Tenant Representatives

Problems that cannot be resolved through the normal tenant/Project Manager process should be referred to the next level - Housing Manager and Tenant Representatives. To develop this process, the Housing Authority should:

- a) Provide tenants with procedures and guidance (if requested) to elect "bona fide" tenant representatives.
 - b) Provide meeting room facilities for tenant meetings.
 - c) Arrange meetings between bona fide tenant representatives and Housing Manager to resolve problems that cannot be resolved between the tenant and his Project Manager.
3. Housing Authority Board of Directors/Community-wide Tenant Group
- To resolve problems that cannot be dealt with by the Housing Manager, the Housing Authority Board of Directors should be prepared to recognize and meet with a community-wide tenants agency (an organization that would include both public housing and private tenants).
- a) Housing Authorities should recognize community-wide tenant groups with public housing tenants.
 - b) Housing Authority Boards should be prepared to meet with legitimate community-wide tenant representatives to deal with public housing problems.
4. OHC Board of Directors/Province-wide Tenant Groups
- To deal with problems of housing policy that cannot be satisfactorily resolved at the Housing Authority level, OHC Board of Directors should be prepared to meet with Province-wide organizations that represent both public and private housing tenants across the province.
- a) OHC Board of Directors should recognize Province-wide tenants group as the legitimate voice of public housing tenants in Ontario.

- b) OHC Board should be prepared to meet with the established representatives to discuss questions of housing policy and the implementation across the province.

These steps should provide an effective means for tenants to communicate with and influence public housing policy and its interpretation. It would preclude the need for tenants' appointment to Housing Authority Boards. It would also require that funding for tenant organizations be provided by community oriented groups, rather than those associated solely with public housing.



EXHIBIT B.1

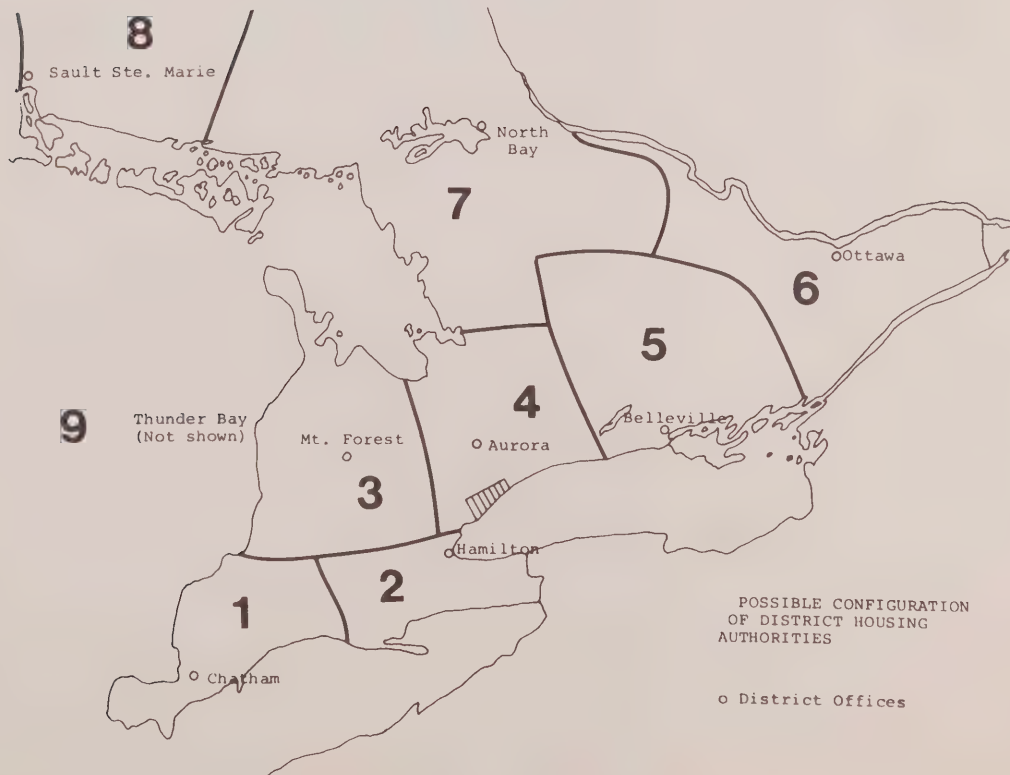


EXHIBIT B.1

APPENDIX 'B'

A STANDARD APPROACH TO ORGANIZING URBAN AND DISTRICT AUTHORITIES

The effective operation of the Urban and District Authorities will depend in large measure on their internal organization. The purpose of this Appendix is to describe in some detail a proposed approach to Housing Authority organization, which should produce a more uniform application of housing policy and provide for the orderly growth of Authorities in the future.

The subject matter is organized under the following headings:

- Concept of Organization
- Influencing Factors
- Organization Models
- Job Descriptions

To provide a framework for discussion and also for the purposes of illustration, a possible structure for Urban and District Authorities has been developed which meets the basic criteria established in the Report. Exhibit B.1

illustrates the geographical division of the province into five urban and nine district authorities and shows the number of units and municipalities included in each authority. This model is used as a basis for developing a uniform approach to organization.

URBAN & DISTRICT ORGANIZATION

<u>SOUTH WESTERN REGION</u>						<u>No. of units in region</u>
<u>No. of units</u>	WINDSOR	LONDON	HAMILTON**	DISTRICT 1(16)	DISTRICT 2(16) (16)	
PRESENT:	2258	1275	3427	755	1545	9260
PLANNED:	2958	2503	4333	1203	2320	13317

CENTRAL REGION						
	KITCHENER WATERLOO	DISTRICT 3 (32)	DISTRICT 4 (25)	DISTRICT 7 (24)	DISTRICT 8 (4)	DISTRICT 9 (10)
PRESENT:	898	1586	1777	1077	451	761
PLANNED:	1400	2492	3322	2808	808	1092
						6550
						11922

<u>EASTERN REGION</u>				
	OTTAWA	DISTRICT 6(12)	DISTRICT 5(13)	
PRESENT:	2014	534	1368	3916
PLANNED:	4917	1115	2675	8707

GRAND TOTALS: PRESENT: 19,726
 PLANNED: 33,946

* Numbers in brackets indicate the municipalities in each district.

** Includes Hamilton Housing Co.

EXHIBIT B.1 (Cont'd.)

The rapid growth in number of units under management has resulted in a variety of Housing Authority organizational structures, all of which perform essentially the same functions. This has made it difficult to apply provincial housing policies in a meaningful way, and to compare the needs or performance of one authority against another on any sort of rational basis. Clearly a set of organizational guidelines would be desirable that would ensure a common approach to initially establishing and later expanding Housing Authority organizations. These guidelines should be consistent with a basic concept of organization designed to overcome the current problems of housing management.

1. The Concept of Organization

The selection of the Urban and District Housing Authority concept was based on meeting a set of criteria designed to greatly improve the existing situation. These criteria are as follows:-

- a) Be responsive to local tenant needs and problems.
- b) Ensure a relatively uniform application of housing policy.
- c) Ensure a full range of competent staff capable of dealing with all types of housing problems.

The concept of internal organization in the Urban and District Authorities should also satisfy these criteria, by being structured to deal more effectively with tenant needs and by being flexible enough to provide a model for all authorities. To meet local tenant needs, the organization of the new authorities must stress the importance of project management which provides the tenant with a single, accessible point of contact within the authority responsible for solving all his problems. This

MUNICIPALITIES INCLUDED
IN SUGGESTED DISTRICTS

<u>DISTRICT 1</u> (16)	<u>DISTRICT 2</u> (16)	<u>DISTRICT 3</u> (32)	
Tilbury	Woodstock	Sheburne	Durham
Chatham	Ingersoll	Arthur	Kincardine
Leamington	Semicol	Dundalk	Mt. Forest
Hewbury	Tilbonburg	Erin	Walkerton
Ridgetown	St. Catharines	Flesherton	Hanover
Rodney	Welland	Markdale	Listowel
Kingsville	Fort Erie	Meaford	Wingham
Amherstburg	Paris	Orangeville	Galt
Essex	Niagara Falls	Elmira	Goderich
St. Thomas	Norwich	Hespeler	Guelph
Sarnia	Brantford	Fergus	Clinton
Port Edwards	Delhi	Mitchell	Owen Sound
Petrolia	Dunnville	Milverton	Stratford
Wallaceburg	Stoney Creek	Preston	Palmerston
Strathroy	Port Colborne	Chelsey	Port Erie
Aylmer	Arnford	Harrington	Thornsbury
<u>DISTRICT 4</u> (25)	<u>DISTRICT 5</u> (13)	<u>DISTRICT 6</u> (12)	
Bowmanville	Brockville	Almonte	
Oshawa	Belleville	Arnprior	
Whitby	Kingston	Carleton	
Barrie	Napanee	Cornwall	
Collingwood	Picton	Eganville	
Elmvale	Trenton	Hawkesbury	
Midland	Brighton	Pembroke	
Orillia	Campbellford	Perth	
Penetang	Cobourg	Prescott	
Burlington	Colborne	Renfrew	
Milton	Lindsay	Smith Falls	
Mississauga	Peterborough	Vanier City	
Oakville	Port Hope		
Aurora			
Bolton			
Brampton			
Newmarket			
Port Credit			
Richmond Hill			
Stouffville			
Streetsville			
Sutton			
Woodbridge			
Georgetown			
Acton			

implies a more prominent role for the Project Manager. Not only should he assume full responsibility for all the services required by his tenants, but he should also be located on the project wherever practical. The internal organization of the Authority should reflect these requirements.

To help ensure uniform application of housing policy, the internal structure of the Urban and District Authorities should be consistent. Furthermore, each Authority should be provided with the appropriate number of positions in each functional area to satisfactorily service the number of units under its management.

In summary, the concept of internal organization is one which stresses overall consistency and places emphasis on the key role of the Project Manager in satisfying local tenant needs. Before examining a practical approach to organization which is consistent with this concept, it is important to be cognizant of factors which presently influence the organization of Housing Authorities and examine how these may influence proposed organizational guidelines.

2. Factors Influencing Housing Authority Organization

There are four major factors which influence the size and structure of existing Housing Authorities:

- Capability and experience of the staff
- Dispersion of units
- Number and types of units
- Functions of the Authority

DISTRICT 7

(24)

Chapleau
 Chilmsford
 Espanola
 Gore Bay
 Parry Sound
 Sudbury
 Armstrong
 Burks Falls
 Burke Twp.
 Cochrane
 Englehart
 Iroquois Falls
 Kapuskasing
 Mattawa
 Moosonee
 M
 North Bay
 South River
 Sturgeon Falls
 Teck Twp.
 Timmins
 Gravenhurst
 Huntsville
 Bracebridge

DISTRICT 8

(4)

S.S.Marie
 Blind River
 Michipicoten
 Thessalon

DISTRICT 9

(10)

Atikokan
 Dryden
 Fort Frances
 Hudson
 Kenora
 Longlac
 Rainy River
 Red Lake
 Sioux Lookout
 Thunder Bay

No. of Municipalities

District Authorities
 Urban Authorities

152

5

 157

In considering new guidelines for Housing Authority organization, the capability and experience of the existing staff should not influence the concept of the organization. Staffing is a separate problem, and will be dealt with in a later appendix.

The geographical dispersion of units is an important consideration in Housing Authority organization. Not only may it influence the physical location of Housing Authority staff, such as Project Managers who may be located on their project sites, but also the dispersion of projects tends to require more staff because of the distances which must be covered. This situation is evident in Northern Ontario, where there are great distances between relatively small projects. However, the dispersion patterns in this area do not suggest a different concept of organization, but rather they indicate that the staffing and budget guidelines may have to be tailored to take travelling time into consideration.

The number of units under management provides the simplest guide to the size of the Housing Authority's administrative task. While some refinement may be introduced by considering the types of units under administration, this appears to be adding an unnecessary complication at this stage.

The functions performed by authorities have had the greatest influence on their internal organization, the basic functions being:

- a) tenant placement including the receiving and processing of applications, home visits and placement.

- b) operations including unit administration, maintenance and community relations
- c) administration, including rent collection, budgeting, payroll and accounting.

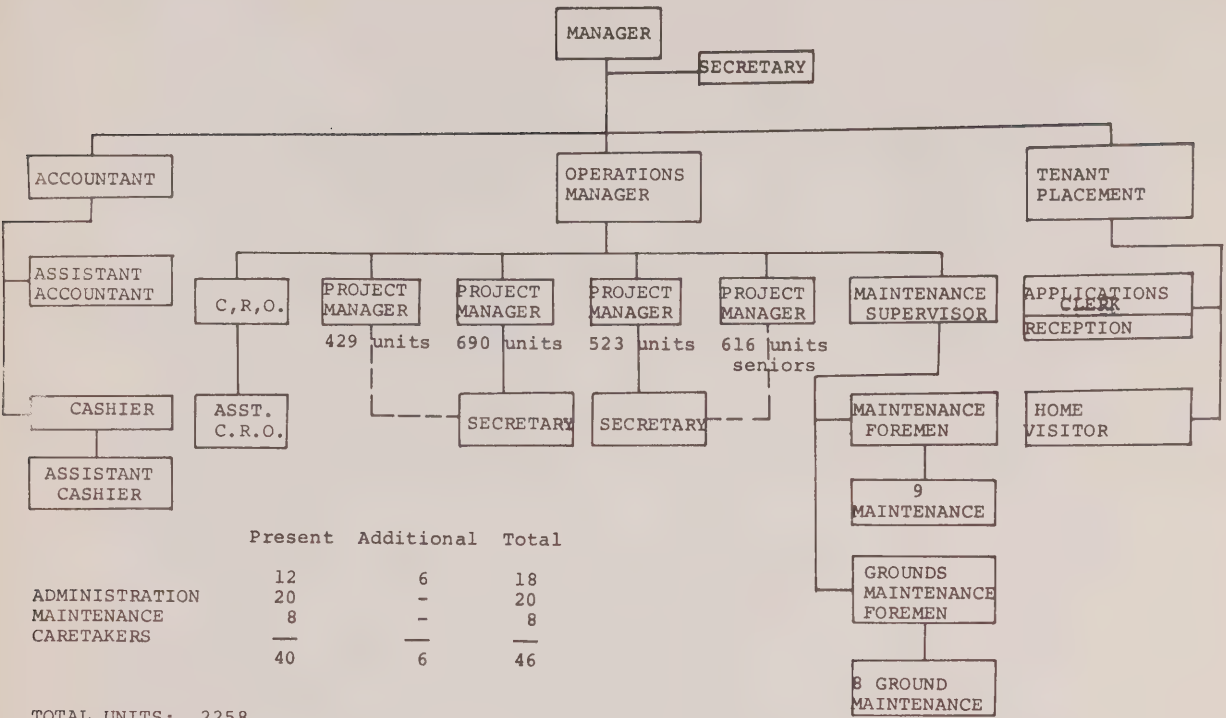
These functions are the responsibility of every existing authority. In smaller authorities the Manager may be responsible for the execution of all these functions. As his portfolio grows in size so will his organization, allowing specialists to be assigned to specific functional areas.

In summary, then, it is the number of units under management and the functional responsibilities of the new authorities which should have the greatest influence on their organization. The units under management provide a logical basis for establishing the number of positions. The functional responsibilities provide a guide to the internal structure and the qualifications for each position in the authority. In the next section, model organizations for both Urban and District Authorities are discussed which have been developed based on these two factors.

3. Organizational Models

The different characteristics of Urban and District Authorities suggests that two types of organizational model would be appropriate for the proposed decentralized structure. Because of the variations in approach to maintenance and caretaking throughout the province, these models have been confined to administrative staff, including the key positions in operations, administration, and tenant placement.

WINDSOR HOUSING AUTHORITY



PROJECT MANAGER CONCEPT

EXHIBIT B.2

a) Urban Models

As most of the Urban Authorities are already in existence, the urban model should logically be patterned after a Housing Authority organization which has satisfactorily met the public housing requirements in an urban area. By selecting an authority with, say, 2,000 units under management to be the standard, then it should be possible to develop organizational models for authorities having 1,000; 3,000; 4,000 and 5,000 units.

Windsor was chosen as the standard for this purpose. Not only is it an example of a well-managed authority with over 2,000 units under management, but it is also representative in terms of the growth of its portfolio. A detailed analysis of the Windsor organization was carried out to determine its appropriateness and to establish a standard organization for this size of authority. In co-operation with the Windsor Manager and OHC Head Office, certain recommendations were made for alterations in its organization. These are presently being implemented. Exhibit B.2 illustrates the agreed-to organizational structure for Windsor. This incorporates several basic rules of thumb developed by OHC:

1. One Project Manager for about every 500 units.
2. One Community Relations Officer for every 1,000 units
(below 800 units Community Relations Officer and Tenant Placement Officer functions are handled by one man).
3. One clerk for two Project Managers.
4. An Operations Manager where there are four or more Project Managers.

MODEL ORGANIZATIONS FOR
URBAN AUTHORITY ADMINISTRATIVE STAFF

1,000 Units
11 Staff

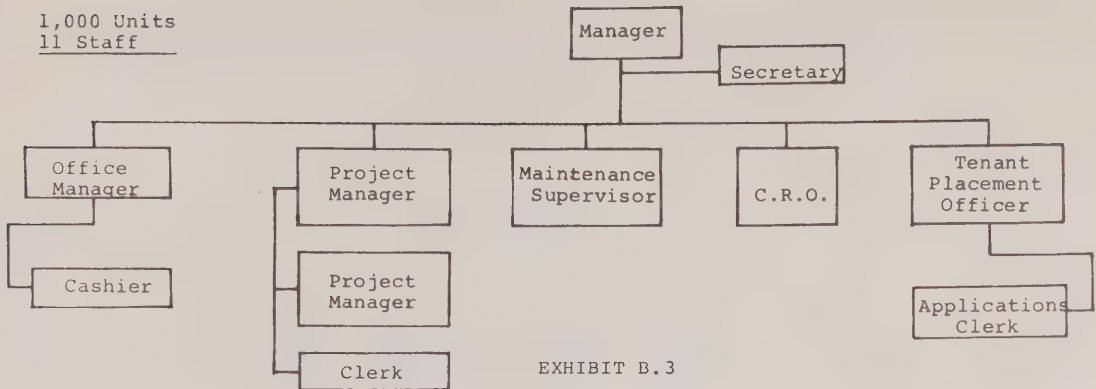


EXHIBIT B.3

MODEL ORGANIZATION FOR URBAN AUTHORITY ADMINISTRATIVE STAFF

2000 units
19 Staff

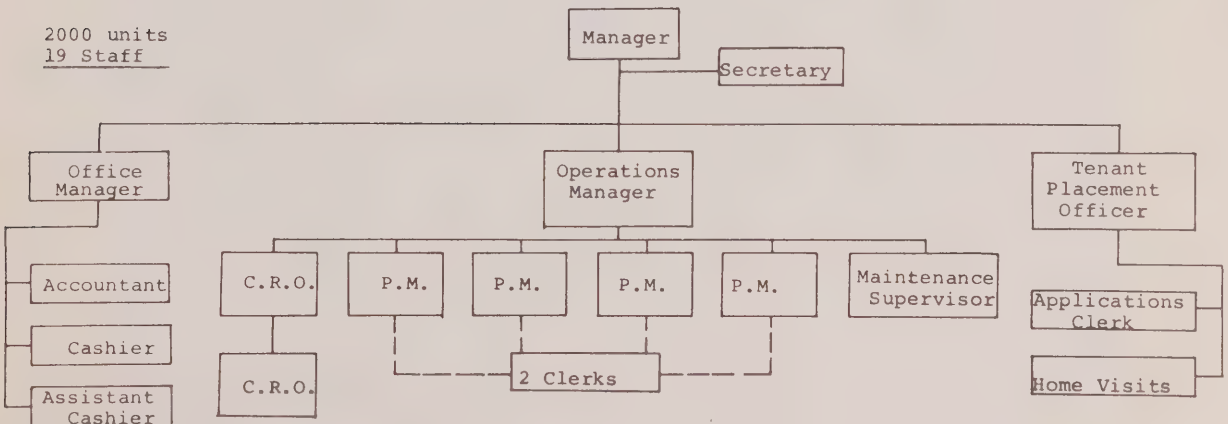


EXHIBIT B.3 (Cont'd)

Based on this set of rules, organizational models were constructed for five different sized Urban Authorities shown in Exhibit B.3. Because of variation in approach to maintenance - some Authorities have staff, others sub-contract - it was decided not to include any maintenance positions below the Maintenance Supervisor in these models. To test the models, a comparison was then made of the staff being requested for 1972 by the Urban Authorities, and the appropriate organizational model. The model was selected on the basis of the units currently under management plus those under construction. Exhibit B.4 shows the degree of variance from the models. Apart from Ottawa, the 1972 staff budgets seem to be reasonably in line with the models. Ottawa is a special case in that the original projections for units under management in 1972 have had to be modified and a corresponding reduction in budgeted staff should be forthcoming. Of more significance is the apparent weakness in operations in both Hamilton and London and the indicated overstaffing in Office Management. This tends to point out the emphasis being placed on project management in the models.

b) District Models

While the District Authorities will have the same functions as the Urban Authorities and will require at least as many staff, the disposition of these staff members may be different because of the number, location and size of existing Housing Authorities and direct managed operations already in the districts. Model organizations for districts should therefore give guidance in organizing both district offices and the smaller authorities located within the districts. From an analysis of the

MODEL ORGANIZATION FOR URBAN AUTHORITY ADMINISTRATIVE STAFF

3000 Units
24 Staff

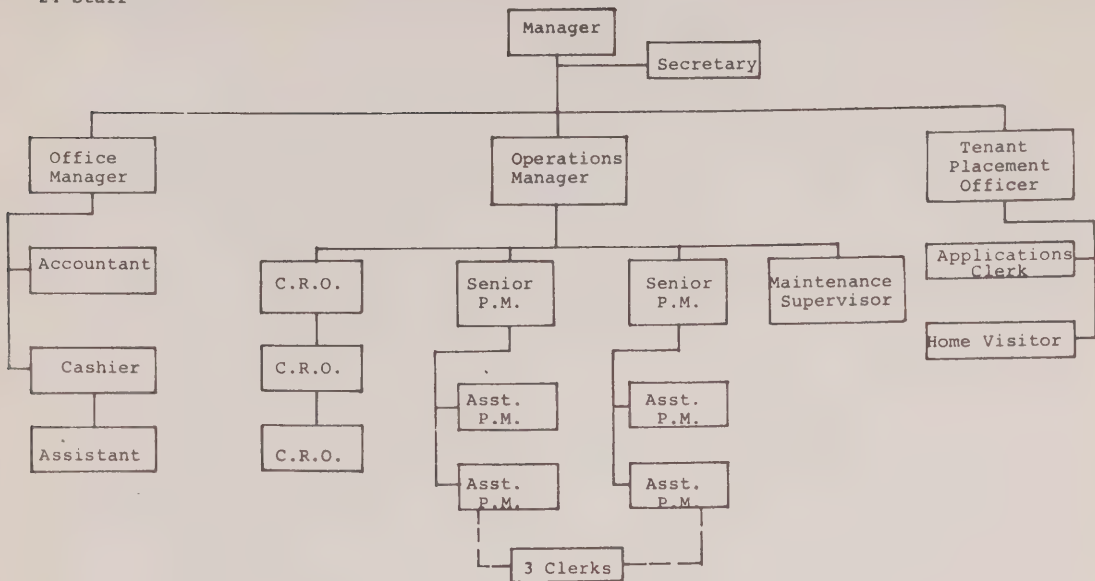


EXHIBIT B.3 (Cont'd.)

MODEL ORGANIZATION FOR URBAN AUTHORITY ADMINISTRATIVE STAFF

4000 Units
30 Staff

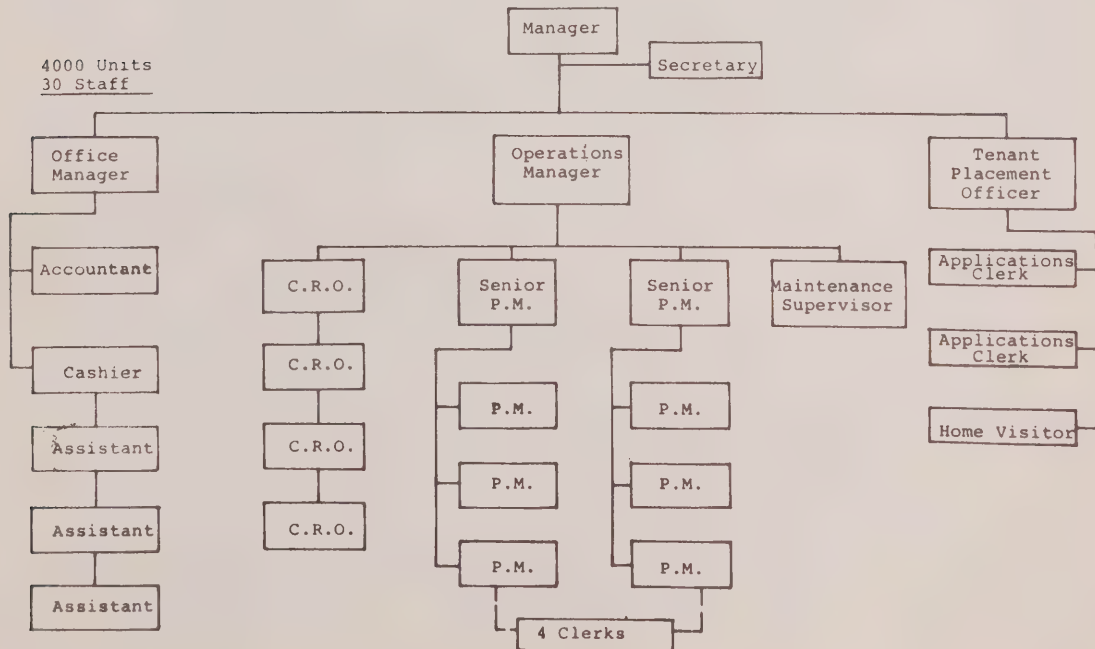


EXHIBIT B.3 (Cont'd)

functions and operating parameters of Housing Authorities in general, model organizations were developed for District Authorities. Exhibit B.5 illustrates three model organizations for the district offices of the proposed authorities and two models for smaller authorities within districts. Unlike the urban situation, there are no District Authorities in existence which can be used to test the validity of these models. This test should be done on a pilot project basis with one of the district offices, before the major implementation program is commenced.

Although the basis of these Urban and District models appears to be reasonably sound, and in most cases should provide adequate guidance in projecting staff increases with growing portfolios, there may be situations requiring special consideration. For example, the need for bilingual Community Relations Officers in Ottawa or the installation of automatic accounting equipment could result in a change in staff requirements from those indicated in the models. Nevertheless, the models will be useful tools in making changes in Housing Authority organization and in planning for additional staff based on the projection of new units under management. However, before staffing of the authorities can be considered, the qualifications for each position in the organization must be established.

4. Job Descriptions

Job descriptions are required for each organizational position to provide the proper guidance in staff selection and performance evaluation. Exhibit B.6

MODEL ORGANIZATION FOR URBAN AUTHORITY ADMINISTRATIVE STAFF

5000 Units
36 Staff

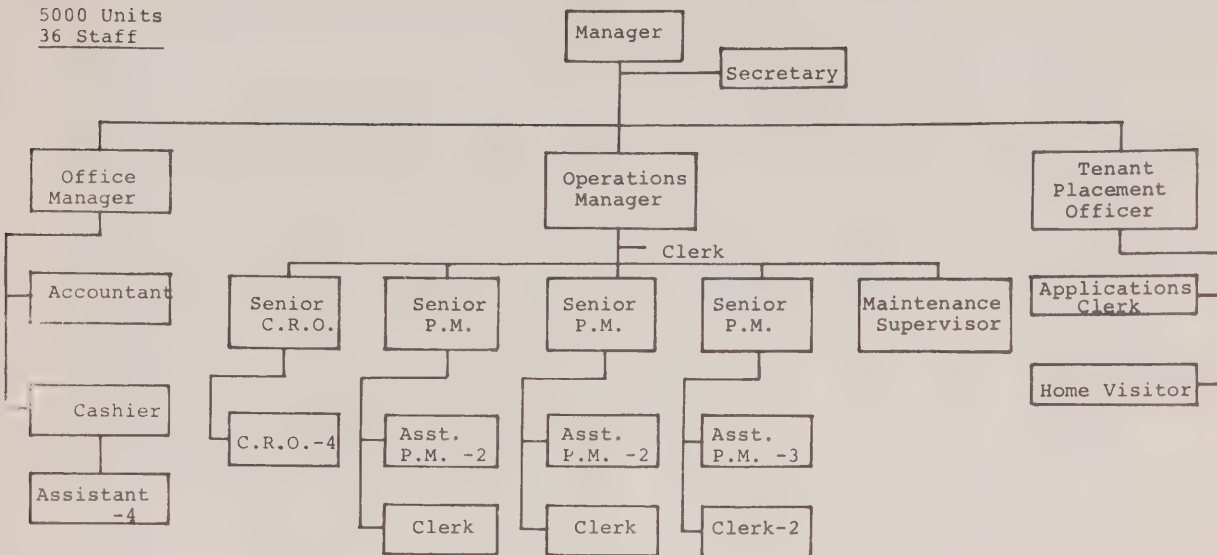


EXHIBIT B.3 (Cont'd)

contains sample descriptions for three of the key jobs in an Authority namely Housing Manager, Maintenance Supervisor and Community Relations Officer. An attempt has been made to use nomenclature which is common throughout the corporation and to use descriptions which have already been developed for Metro Toronto property management operations wherever appropriate.

COMPARISON OF 1972 BUDGETED URBAN
ADMINISTRATIVE STAFF WITH MODEL ORGANIZATIONS

HAMILTON (Estimated units under management in 1972: 2703)

	<u>3000 Unit Model</u>	<u>1972 Budget</u>	<u>Difference</u>
Management	2	3	+1
Office Mgt.	5	13	+8
Operations	14	9	-5
Tenant Placement	3	5	+2
	<u>24</u>	<u>30</u>	<u>+6</u>

OTTAWA (Estimated units under management in 1972: 4139)

	<u>4000 Unit Model</u>	<u>1972 Budget</u>	<u>Difference</u>
Management	2	2	0
Office Mgt.	6	16	+10
Operations	18	24	+6
Tenant Placement	4	12	+8
	<u>30</u>	<u>54</u>	<u>+24</u>

LONDON (Estimated units under management in 1972: 1894)

	<u>2000 Unit Model</u>	<u>1972 Budget</u>	<u>Difference</u>
Management	2	2	0
Office Mgt.	4	7	+3
Operations	10	2	-8
Tenant Placement	3	4	+1
	<u>10</u>	<u>15</u>	<u>-4</u>

WINDSOR (Estimated units under management in 1972: 2258)

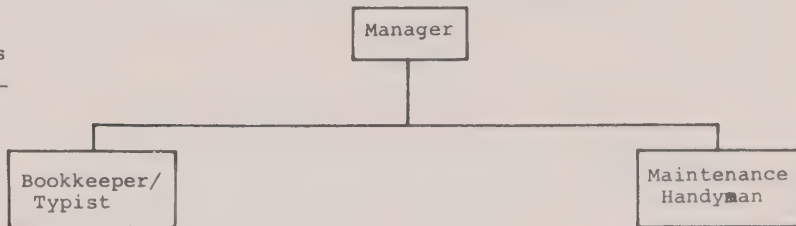
	<u>2000 Unit Model</u>	<u>1972 Budget</u>	<u>Difference</u>
Management	2	2	0
Office Mgt.	4	4	0
Operations	10	10	0
Tenant Placement	3	3	0
	<u>19</u>	<u>19</u>	<u>0</u>

KITCHENER (Estimated units under management in 1972: 1213)

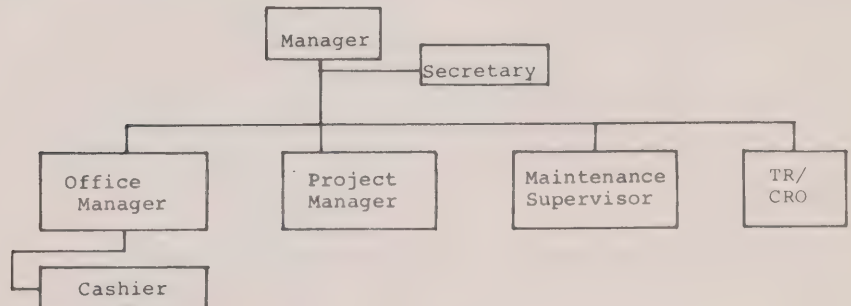
	<u>1000 Unit Model</u>	<u>1972 Budget</u>	<u>Difference</u>
Management	2	2	0
Office Mgt.	2	4	+2
Operations	5	7	+2
Tenant Placement	2	2	0
	<u>11</u>	<u>15</u>	<u>+4</u>

MODEL ORGANIZATION FOR
SMALLER AUTHORITIES WITHIN DISTRICTS

Under 500 Units
3 Staff

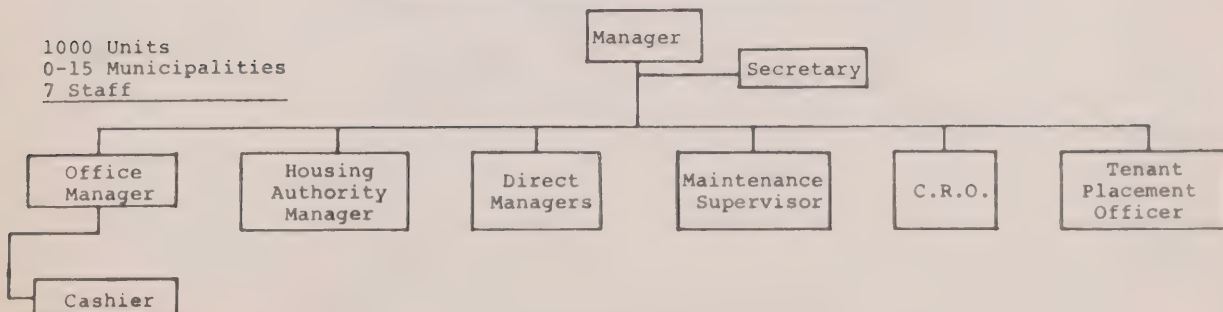


500 to 1000 Units
7 Staff



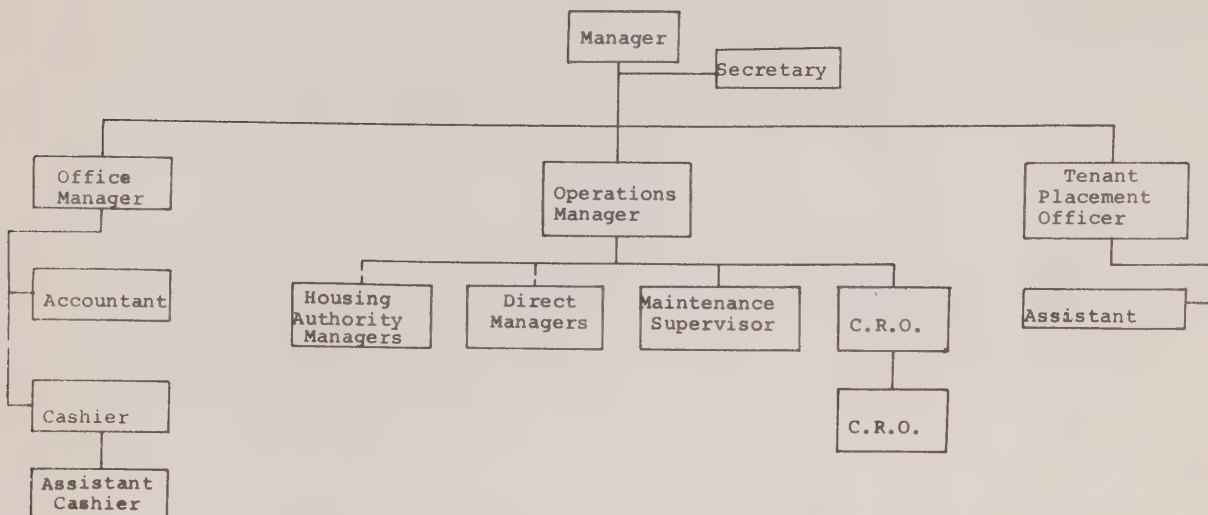
MODEL ORGANIZATIONS FOR
DISTRICT AUTHORITY ADMINISTRATIVE STAFF

1000 Units
0-15 Municipalities
7 Staff



MODEL ORGANIZATION FOR DISTRICT AUTHORITY ADMINISTRATIVE STAFF

2000 units
15-30 municipalities
12 staff



MODEL ORGANIZATION FOR DISTRICT AUTHORITY ADMINISTRATIVE STAFF

3000 Units
15-30 Municipalities
15 Staff

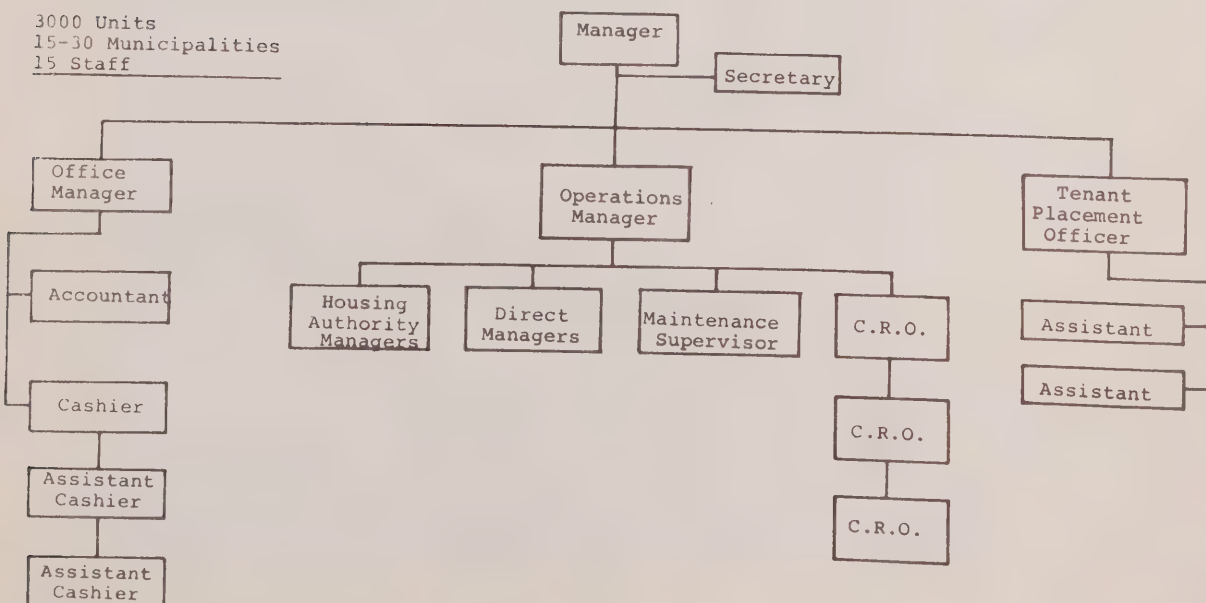


EXHIBIT B.6

POSITION DESCRIPTION

MAINTENANCE SUPERVISOR

PURPOSE
OF POSITION

The Maintenance Supervisor is accountable to the Housing Manager for the maintenance and housekeeping of all buildings under the jurisdiction of the Housing Authority to the standards established by OHC and within budgeted costs. In carrying out his duties he is responsible for the supervision of maintenance staff hired by the Authority and for sub-contractors hired by the Authority to complete maintenance or housekeeping work.

Duties and Responsibilities

The major duties and responsibilities of the Maintenance Supervisor include:

1. Developing an annual maintenance and housekeeping program:
 - major renovation and repair projects
 - preventative maintenance program
 - routine maintenance requirements.
2. Preparing annual budgets for maintenance and housekeeping:
 - Forecast of routine maintenance costs
 - Estimated costs for major renovations and repairs
 - Staff requirements
 - Schedule of expenditures

EXHIBIT B.6 (Cont'd)

3. Administering day-to-day maintenance program:
 - Establishing work hours
 - Assigning duties and responsibilities
 - Establishing work specifications and standards
 - Following up to ensure that work is completed satisfactorily
 - Working with Project Manager in setting priorities
 - Hiring of sub-contractors within the limits of his authority
4. Supervising the overall maintenance program to ensure that buildings are being properly maintained:
 - Regularly inspecting buildings and grounds
 - Reviewing use of materials and equipment
 - Ensuring that fire fighting and safety equipment is in sound working order
 - Ensuring that staff are trained in the use of equipment and prepared to deal with emergencies
5. Organizing and administering approved major repair or renovation prospects for sub-contract:
 - Preparing specifications for work to be completed, including plans, schedules, scope of work
 - Arranging for tender calls or quotations
 - Recommending selection
 - Arranging for contractor to carry out his work
 - Reviewing work in progress against specifications to ensure that terms of the contract are being met
 - Approving completed work and recommending payment

EXHIBIT B.6 (Cont'd)

6. Organizing to deal with emergency situations
 - Arranging for maintenance staff to be available during off hours
 - Investigating major problems
 - Arranging for sub-contractors to be prepared for critical problems
7. Reviewing and reporting on the performance of the maintenance department
 - Reviewing monthly expenditures against budget
 - Investigating major variances
 - Reporting to Housing Manager

EDUCATION AND
EXPERIENCE

1. At least Secondary School graduation and Journeyman's standing in a trade related to the maintenance function.
2. Supervisory experience in the field of building, construction and maintenance. Requires also a complete knowledge of building construction basic trades and the ability to deal effectively with subordinates and contractors.

EXHIBIT B.6 (Cont'd)

POSITION DESCRIPTION
COMMUNITY RELATIONS OFFICER

PURPOSE OF
POSITION

The Community Relations Officer is accountable to the Housing Manager for developing and carrying out a program of tenant education and referral involving community organizations and social agencies. The Community Relations Officer is also responsible for working with Housing Project Managers to assist tenant families in settling into their new environment, investigating tenant problems and recommending action; and encouraging tenants to participate and become absorbed into the general community.

DUTIES AND
RESPONSIBILITIES

The major duties and responsibilities of the Community Relations Officer include:

1. Developing and carrying out a program of tenant education and referral:
 - Identifying community organizations and government departments that can provide services to tenants
 - Working out arrangements with other agencies for providing tenant services
 - Developing literature and communications to tenants on how to make use of community services

EXHIBIT B.6 (Cont'd)

2. Working with Housing Project Managers to help tenants by:

- Visiting and interviewing each new tenant during the first three months of occupancy, answering questions and determining if and when a further follow-up is necessary
- Implementing a regular visiting program aimed at achieving and maintaining desired standards
- Explaining and interpreting Corporation policy regarding tenancy regulations such as the type of pets allowed in the different types of projects
- Obtaining and providing information for tenants regarding the availability of the various community, health, commercial and social services within the area such as the Y.M.C.A., Public Health Department, Legal Aid, etc., preparing leaflets, pamphlets, etc., pertinent to the tenants' needs
- Encouraging tenants to participate actively in the care and maintenance of the dwelling and surroundings and fostering a climate conducive to this requirement
- Guiding tenants in the proper utilization and upkeep of such appliances as stoves and refrigerators
- Assisting in developing and maintaining adequate standards of housekeeping and general personal tenant behaviour where these are jeopardizing continuing tenancy and/or creating inharmonious relationships with neighbouring tenants
- Recommending with appropriate documentation on such matters as Notices to Vacate, Transfer to different areas, Board Submissions, etc.

EXHIBIT B.6 (Cont'd)

- Seeking the cooperation of tenants in accepting and comprehending the importance of agency assistance, gauging its effectiveness by ascertaining the progress made
 - Contacting and liaising with social agencies such as Family Services and Children's Aid regarding specific tenant problems when such assistance is indicated to be beneficial to the particular tenant
 - Meeting with Tenants Associations to discuss and resolve problems where possible.
 - Scheduling the use of community or recreational space
 - Assisting and encouraging tenant involvement and integration in project and general community activities.
3. Establishing and maintaining records on assignments by:
- Researching tenant files before visiting and making notes on each tenant visit
 - Keeping Master Sheets on tenants current on a monthly basis to ensure that all new tenants are entered and that schedules for visits are made
 - Preparing reports, memoranda, etc. for the Project Manager as requested regarding various tenants
 - Preparing monthly summary of activities for the Housing Manager
 - Maintaining written records of the visits and contacts with families for future reference.

EXHIBIT B.6 (Cont'd)

EDUCATION AND
EXPERIENCE

1. Graduation from an accredited University with a major in one of the Behavioural Sciences or from a Community College in a related field.
2. Three years practical experience in community organizations on social work. Consideration should be given to individuals with secondary education with over five years experience in a directly related field.
3. In addition to formal qualifications, candidates should demonstrate an ability to work without supervision and should be able to work with all age groups in social, economic and recreational fields.

EXHIBIT B.6 (Cont'd)

POSITION DESCRIPTION

HOUSING MANAGER

PURPOSE OF
POSITION

The Housing Manager is accountable to his Board of Directors for the overall management of public housing in its jurisdiction according to the policies and guidelines established by OHC and within approved budgets. In carrying out his responsibilities, the Housing Manager must be concerned not only with the operating effectiveness and efficiency of the Authority, he must also be sensitive to the social needs and problems of the community and for meeting these needs within established housing policies. He is also responsible for carrying out the day-to-day functions of Tenant Selection and Placement; Community Relations, Maintenance, Housing Management and Administration within established budgets.

DUTIES AND
RESPONSIBILITIES

The major duties and responsibilities of the Housing Manager include:

1. Preparing an annual budget for the Authority:
 - Forecast of operating expenditures based on units under management
 - Estimated costs for capital expenditures

EXHIBIT B.6 (Cont'd)

- Staff requirements
 - Overall schedule of expenditure
2. Controlling expenditures within the approved budget
 - Reviews of expenditures against budgets with his subordinate staff on a regular basis
 - Control of expenditures which exceed budgets
 - Supplementary budget preparation to cover unusual expenditures when these occur
 3. Directing staff in their duties:
 - Establishing programs and assigning responsibilities
 - Assessing performance of staff
 - Recommending merit increases, promotions, disciplinary action
 - Keeping staff advised on changes in policy and procedures
 - Ensuring that staff adhere to OHC policies and procedures
 4. Recommending changes in organization and staffing to better meet the needs of the Authority:
 - Changing organization as portfolio grows
 - Adding new positions in anticipation of new units coming under management
 - Upgrading existing staff
 5. Directing and administering the housing units in his authority by controlling:
 - Vacant units
 - Tenant placement and transfers
 - Rent collection

EXHIBIT B.6 (Cont'd)

- Rent arrears
 - Tenant eviction
6. Assisting tenants in meeting their welfare, social and recreational needs by:
- Ensuring community resources are available for tenants
 - Fostering good relations with tenants, municipal and agency officials and the general public
 - Attending meetings with tenants, municipal and agency officials, tenant associations.

EDUCATION AND
EXPERIENCE

Grade 13 or equivalent plus acceptable post secondary study. Several years of responsible administrative experience, ability to interpret legislation and regulations and to amplify, develop and apply policy in practical operation without direct supervision.

Thorough knowledge of property management techniques, bookkeeping procedures and building maintenance. Organizational ability, clarity and logic in speaking and writing, critical judgement, tact and diplomacy.

APPENDIX 'C'

A STANDARD APPROACH TO STAFFING URBAN & DISTRICT AUTHORITIES

The efficient and effective functioning of the new Housing Authorities will in large measure be dependent on the degree to which professional management can be introduced and developed. In this regard, there is a significant deficiency in the present organization, but the proposed Urban and District Authorities makes the need for professional management, capable of operating effectively in an essentially autonomous environment, all the more critical. Thus, personnel policies which will attract, retain and develop professional staff are a primary requirement for the new organization. This appendix describes proposed selection and hiring procedures for the Housing Manager and other Housing Authority staff.

1. Selecting Managers

The effective operation of the proposed decentralized organization will depend to a considerable extent on the ability and drive of the Housing Managers. If the Manager is a capable and responsible administrator, he can be expected to select Housing Authority staff locally who are also capable and productive employees. It is therefore imperative that the selection and hiring of Managers be carefully controlled to ensure a consistently high calibre of personnel in these key positions throughout the province.

a) Selection Process

To the extent possible, Managers should be promoted from within the Authorities. However, in the initial phase of decentralization, it may be necessary to recruit outside people for these positions. In either case, a uniform system of recruitment, selection and hiring is required to control the supply and calibre of Managers in the Authorities and to attain a consistent level of property management performance throughout the province. A new approach is proposed to achieve this objective.

In keeping with the philosophy of local autonomy, the ultimate decision to hire a Manager candidate should remain with each Authority. However, the proposed approach envisages a new role for OHC in recruiting, selecting and hiring suitable Manager candidates. These candidates will be employees of OHC initially. When an Authority is looking for a new Manager, a number of these candidates should be put forward by OHC, interviewed by the Authority Board and an appointment made. Depending on the size of the Authority, the candidates they interview may be experienced Managers from other small Authorities who are applying for a better job, or new employees who have been in training either at OHC or in the metro operations. During his appointment with an Authority, a Manager will be on secondment from OHC, and will be responsible to the Board which will pay his salary and fringe benefits.

b) Terms of Employment

The terms of employment under the proposed scheme should provide Housing Managers with the same level of job security as a career civil servant, and also allow him to develop professionally by holding positions with other Authorities, metro-districts and OHC head office. There appear to be two approaches to meeting these requirements.

1. Managers as Civil Servants:

The most suitable arrangement would be to convert all Housing Manager positions to Civil Servant category, assuming that appropriate secondment provisions can be made to protect the local autonomy of Housing Authorities. As Civil Servants, the Managers would be able to apply for any Civil Servant position in metro-Toronto or OHC head office, in addition to other Housing Manager jobs. Also, fringe benefits would be portable and present no problems when Managers are reappointed. However, it should be stressed that the decentralized approach being proposed is developed on the concept of autonomous Housing Authorities which, by definition, requires that the Housing Managers be primarily responsible to their Boards. Therefore the central requirement for a Civil Servant approach by housing management is to have a satisfactory secondment provision which will adequately protect this autonomy.

2. Managers on Contract to OHC:

Alternatively, the Housing Managers would become contract employees of OHC. To meet the requirements for job security and professional development, the following conditions should exist:

- Contracts with the Housing Managers would have to contain the following provisions:
 - A long term with a renewal clause providing the Manager with a satisfactory degree of job security.
 - Appointment by OHC to a Housing Authority, metro office or OHC head office, say, every two years.
 - During Authority appointments, the Housing Manager would be seconded to the Authority, which would pay his salary and fringe benefits. While on secondment, the Housing Manager can be dismissed for poor performance by agreement of the Authority and OHC. Grievances may be taken up with a combined Authority-OHC Board.
 - The Housing Manager may apply for a more senior position, if he has served at least one year in his present position.
- A number of positions in Metro-Toronto and in OHC head office must be designated contract positions:

To allow Housing Managers on contract with OHC to get the experience of working in Metro or head office, it will be necessary to designate a few positions in each area as contract positions which are suitable for Manager development.

- Salaries for Housing Managers must fit into an overall salary scale for property management:
If the Housing Managers are to have the ability to move every two years to a new position anywhere in property management, then it will be necessary to ensure that there is a uniform salary structure which can accommodate these Managers wherever they are appointed. Appendix D recommends the adoption of a comprehensive salary scale for all property management staff.
- Fringe benefits for Housing Authority employees must be identical to Civil Service fringe benefits and be portable: For the purposes of transfer between Authorities, appointments to OHC offices, and equality with Civil Servants in terms of financial security, it would be desirable for all Authorities to adopt a benefit program identical to that being provided by the Civil Service. The program should be portable for Housing Managers, no matter where they are appointed on contract, and also be transferable to the Civil Service program should the Manager become a Civil Servant through promotion into OHC. A description of existing programs in OHC and the Authorities, their evaluation, and implications of adopting a Civil Service-like fringe benefit package, are discussed in Appendix D.

This proposed new approach to the selection and hiring of Authority Managers should produce a uniformly high calibre of property management throughout the province without seriously eroding the local autonomy of the Authorities in carrying out their responsibilities within the broad framework of OHC housing policy.

2. Selection of Other Staff Members

Primary responsibility for the selection and hiring of staff for the Housing Authority should be held by the Housing Manager, subject to the approval of his Board of Directors. In carrying out this responsibility, the Housing Manager should follow the guidelines and procedures for staffing set down by OHC, the principal ones being:

- Development of a position specification outlining the major responsibilities, scope of authority and duties.
- Establishment of a salary classification that fits within the guidelines established by OHC.
- Establishment of the qualifications and experience of acceptable candidates.

APPENDIX 'D'

A STANDARD APPROACH TO SALARIES AND FRINGE BENEFITS

Although the new Housing Authorities should employ their own staff, it seems appropriate, in the interests of uniformity, for OHC to provide salary scale guidelines to the Authorities which reflect a comprehensive approach to salary administration for the entire property management function. Similarly, a uniform approach to fringe benefits for all Authorities would be desirable to attract competent staff and encourage job rotation. The purpose of this Appendix is to describe a proposed salary structure for property management and a new benefit package for Housing Authorities. It is presented under the following headings:

- Salaries

- Criteria
- Proposed Scales

- Fringe Benefits

- Current Authority Benefits
- OHC Benefit Programs
- Selecting a New Benefit Package
- Installation

1. Salaries

In developing a comprehensive approach to salaries a number of criteria must be considered:

a) Criteria

The following criteria have been developed to provide guidance in designing an equitable and effective salary scale.

1. The salary scales should incorporate all management personnel in the property management function. A comprehensive scale must include all property management positions in OHC Head Office and Metro Toronto operations, as well as the Housing Authorities. This will include Civil Service, contract and authority employees.
2. Salary scales should reflect the relative responsibilities of the positions in the organization. In property management, the number of units under management is the generally accepted rule of thumb for measuring responsibility. This factor should be incorporated into the formulation of the salary scale.
3. Salary scales must provide an incentive for advancement. An important aspect of a professional management development program is an environment of healthy competition for more senior property management positions. The degree of competition that is created will depend in large measure on the incentives for advancement. One major incentive is an increase in salary and the importance of this factor should be considered in establishing the salary scales.
4. Salaries must be competitive with comparable positions in other organizations. To attract and retain capable management in the authorities, it will be necessary to set salaries for the management positions which are generally competitive. This can be established

initially from OHC experience, but should be reviewed on a regular basis with the authorities in light of local conditions.

In addition to these criteria, there are three conditions for changing the scale and individual salaries that must be considered in the detailed design of the plan:

5. Change in responsibility. The major measure of responsibility in property management is the number of units under management. Therefore, when a Housing Authority grows in size, there should be an appropriate adjustment in salaries.

6. Merit Increases. Some provision should be made for salary increases for exceptional performance. It would seem appropriate to have about six merit increments in each salary range.

7. Cost of living increases. It has been customary for the Civil Service to provide a cost of living increase for its employees on a two-yearly basis. The same approach would seem appropriate for the Housing Authority employees, especially with the introduction of a unified property management salary scale. A cost of living increase would have the effect of moving all salaries and the whole salary scale to a higher level. The salary ranges would remain unchanged, as would the relationship of one range to another.

These criteria have been applied to the design of a proposed property management salary scale described in the next section.

PROPOSED SALARY SCALE
FOR ADMINISTRATIVE POSITIONS
IN HOUSING AUTHORITIES

PROPOSED SALARY RANGES (\$ 000)

NO. OF UNITS UNDER MGT.	CLASS	HOUSING MANAGER	OPERATIONS MANAGER	OFFICE MANAGER	TENANT PLACEMENT OFFICER	COMMUNITY RELATIONS OFFICER	MAINTENANCE MANAGER	PROJECT MANAGER
4000 - 5500	I	16-19	13-16	11-14	7-10	7-10	11-14	9-12
3000 - 4500	II	14-17	11-14	9-12	7-10	7-10	9-12	9-12
2000 - 3500	III	12-15	9-12	7-10	7-10	7-10	7-10	7-10
1000 - 2500	IV	10-13	-	7-10	7-10	7-10	7-10	7-10
200 - 1500	V	8-11	-	7-10	combined	7-10	7-10	7-10
0 - 200		Part-time	-	-	-	-	-	-

EXHIBIT D.1

PROPOSED HOUSING MANAGER SALARY SCALE

Showing: a) Existing salaries for Urban Authorities
b) Proposed salaries for District Authorities

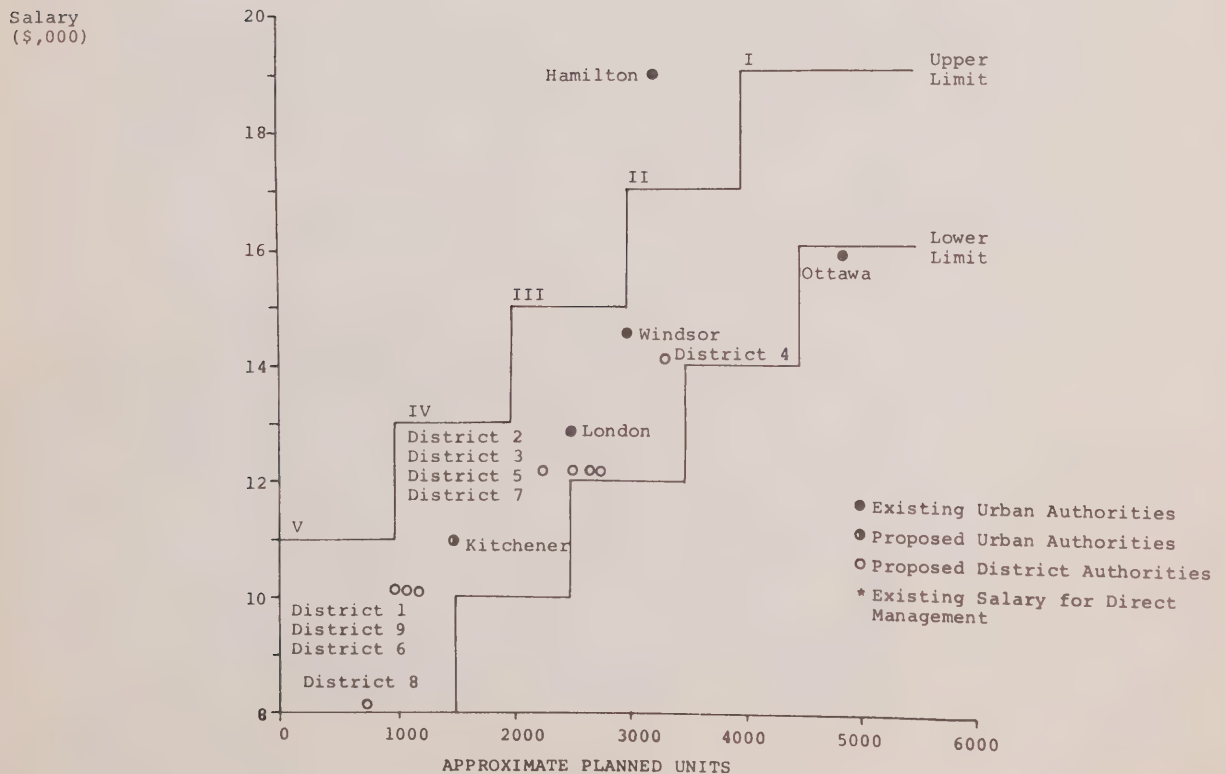


EXHIBIT D.2

EXISTING AND PROPOSED SALARIES

FOR HOUSING MANAGERS

<u>PROPOSED AREA HOUSING AUTHORITIES</u>	<u>APPROXIMATE UNITS PLANNED</u>	<u>CLASS</u>	<u>SUGGESTED RANGE (\$,000)</u>	<u>EXISTING OR PROPOSED SALARY (3)</u>
<u>EXISTING URBAN AUTHORITIES</u>				
1. Ottawa	4,900	I	16-19	\$15,730
2. Windsor	3,000	II	14-17	14,500
3. Hamilton (1)	3,200	II	14-17	18,953
4. London	2,500	III	12-15	12,410
5. Kitchener (2)	1,400	IV	10-13	10,800
<u>PROPOSED DISTRICT AUTHORITIES</u>				
District 1	1,200	IV	10-13	10,000
District 2	2,300	III	12-15	12,000
District 3	2,500	III	12-15	12,000
District 4	3,300	II	14-17	14,000
District 5	2,700	III	12-15	12,000
District 6	1,100	IV	10-13	10,000
District 7	2,800	III	12-15	12,000
District 8	800	V	8-11	8,000
District 9	1,100	IV	10-13	10,000

- (1) Does not include Hamilton Housing Co.
 (2) Kitchener, currently a direct managed operation, is a proposed Urban Authority.
 (3) Does not include fringe benefits.

EXHIBIT D.2 (Cont'd)

HOUSING MANAGERS' SALARIES FOR SMALL AUTHORITIES AND DIRECT MANAGED PORTFOLIOS

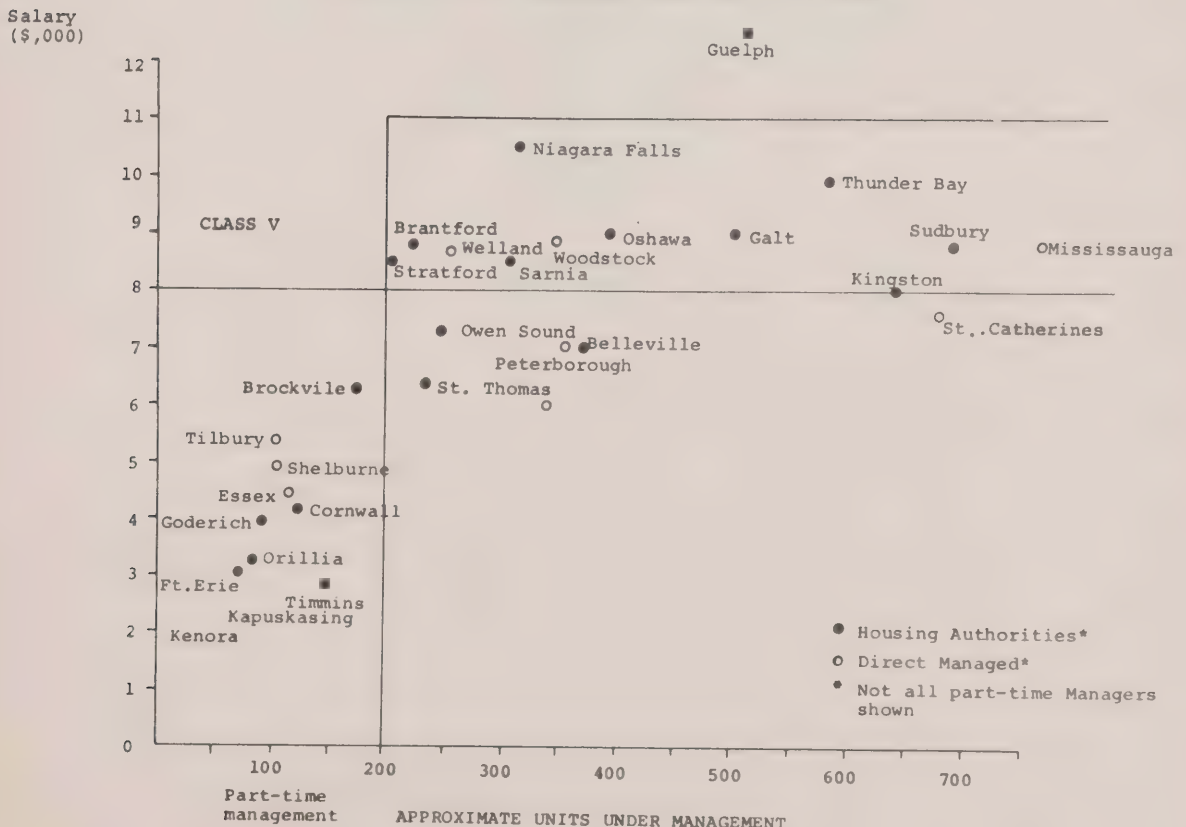


EXHIBIT D.3

EXISTING HOUSING MANAGER'S SALARIES FOR
SMALL AUTHORITIES AND DIRECT MANAGED PORTFOLIOS

<u>SMALL AUTHORITIES</u>	<u>SALARY*</u>	<u>APPROXIMATE UNITS</u>	<u>DIRECT MANAGED</u>	<u>SALARY*</u>	<u>APPROXIMATE UNITS</u>
1. Brantford	\$8,700	224	1. Barrie	\$6,000	343
2. Galt	9,000	504	2. Belleville	7,000	375
3. Guelph	12,500	517	3. Hamilton	Contract	1339
4. Kingston	8,000	641	4. Kitchener	10,800	1213
5. Niagara Falls	10,500	318	5. Mississauga	8,865	774
6. Oshawa	9,000	395	6. Peterborough	7,000	363
7. Sarnia	8,500	320	7. St.Catherines	7,545	685
8. S.S.Marie		419	8. Welland	8,700	262
9. Stratford	8,500	209	9. Woodstock	8,853	355
10. St.Thomas	6,400	235			
11. Sudbury	8,750	693			
12. Thunder Bay	9,800	587			
13. Owen Sound	7,367	250			

*Excluding Fringe Benefits

EXHIBIT D.3 (Cont'd)

b) Proposed Property Management Salary Scale

Seven Housing Authority positions have been considered on the proposed scale. These are Housing Manager, Operations Manager, Office Manager, Tenant Placement Officer, Community Relations Officer, Maintenance Supervisor and Project Manager. Exhibit D.1 illustrates the proposed scale for these positions based on the number of units under management. A range of \$3,000 was adopted as a standard which allows for six \$500 merit increases in any one class. The overlap between ranges was set at \$1,000, which is in keeping with normal practice. As the Housing Manager is the senior staff position in the Authority, it is important that the salary scales for that position be established before any consideration is given to salaries for other Authority positions. The following section describes the basis on which the Housing Manager's salary scale was developed:

Housing Manager. The scale for Housing Managers was established based on the objective of minimizing changes in current salaries and meeting the salary scale criteria established earlier. Exhibits D.2 and D.3 illustrate that the proposed scales incorporate most of the existing Housing Managers' salaries without change. Exhibit D.2 shows that with the exception of Hamilton, existing Managers of large Authorities and large direct managed operations are being paid in accordance with this scale. Similarly, Exhibit D.3

PRESENT AND PROPOSED SALARY SCALES

<u>PRESENT CLASSIFICATION OF OHC</u> <u>HEAD OFFICE & METRO PROPERTY</u> <u>MANAGEMENT POSITIONS</u>	<u>APPROXIMATE</u> <u>SALARY</u> <u>RANGES</u> <u>(\$,000)</u>	<u>PROPOSED CLASSIFICATION</u> <u>FOR COMPREHENSIVE</u> <u>PROPERTY MANAGEMENT SCALE</u>
Divisional Director	24-27	Divisional Director
	22-25	Director, Housing Operations
	20-23	Director, Operations Branch (Ont.)
Director, Housing Operations	18-21	
Director, Operations Branch (Ont.)	16-19	Housing Managers - Class I
	14-17	Housing Manager - Class II
Regional Mgr. Metro-District Mgr. 'B'*	12-15	Housing Manager - Class III
Area Managers	10-13	Housing Manager - Class IV
Area Supervisors	8-11	Housing Manager - Class V

* Metro District Manager 'B' is responsible for 2298 units and has a salary range of \$11,900-\$15,100. A Housing Manager with the equivalent number of units would be in Class III (\$12,000-\$15,000) on the proposed scale.

EXHIBIT D.4

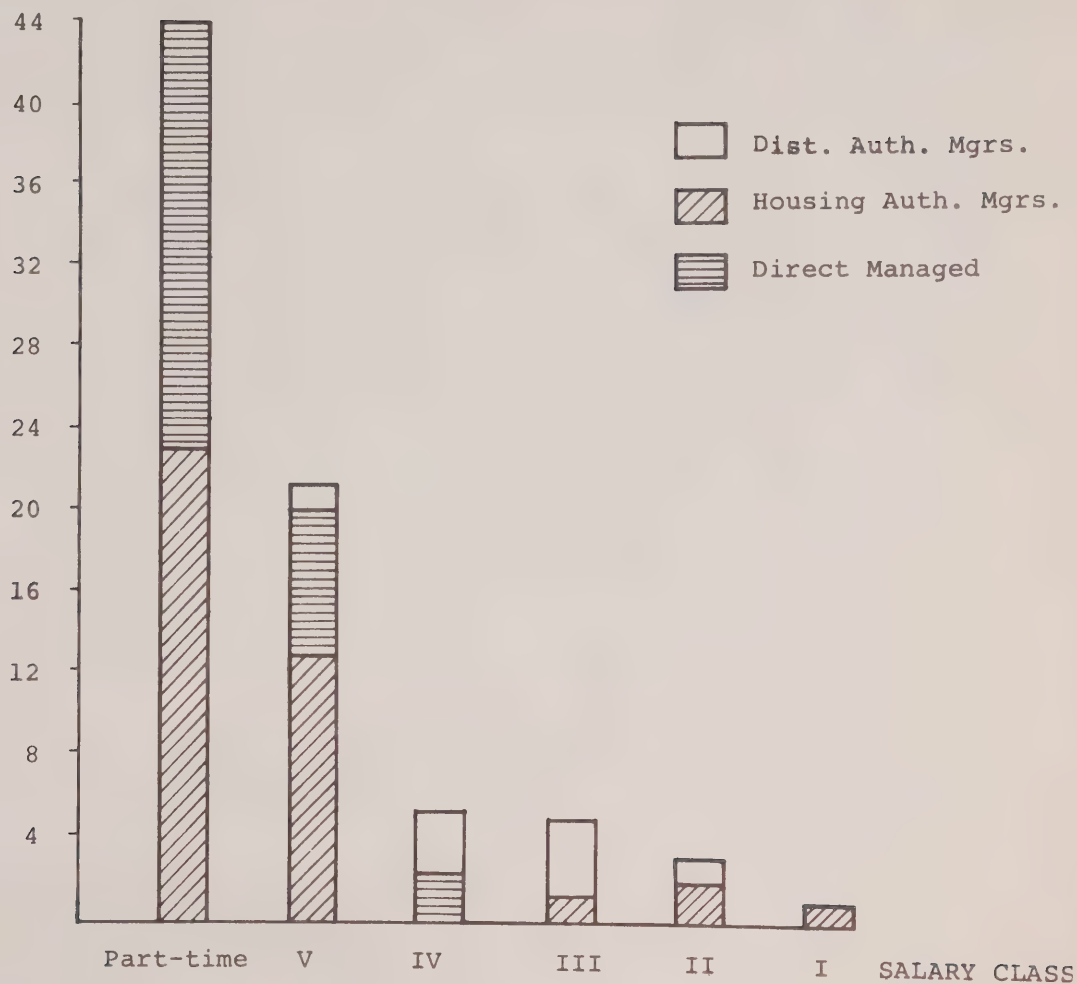
shows that, for the more important smaller authorities and direct managed operations, the Class V salary range is generally appropriate for a full-time manager. However, Guelph is outside the range on the high side, and four direct managed and one Housing Authority operation are outside the range on the low side. Part-time Managers, generally responsible for less than 200 units, have salaries below Class V.

The compatibility of the proposed Housing Manager scale with current scales for Metro Toronto Managers and senior OHC property management was also tested. Exhibit D.4 illustrates that the proposed scale is in line with the Metro salaries, and that with two senior salary revisions, the proposed scale will also fit appropriately into a comprehensive property management scale including OHC staff.

By raising the salary range for both the Director, Housing Operations, and Director, Operations Branch (Ontario) two levels, five classes of Housing Managers can be accommodated at the appropriate levels on the scale. This creates a logical progression in salary from the lowest housing management position in the field to the highest property management position at OHC Head Office. It is anticipated that most of the current Regional and Area Managers and Area Supervisors will fill the new Housing Manager positions at approximately their current salaries.

DISTRIBUTION OF MANAGERS
BY SALARY CLASS

NUMBER OF
MANAGERS



	Part-time	V	IV	III	II	I	Total
Housing Authorities	23	13	0	1	2	1	40
Direct Managed	21	7	2 (2)	-	-	-	30 (1)
New Districts	-	1	3	4	1	-	9
Total Managers	44	21	5	5	3	1	79

- NOTES:
- (1) 20 of these Managers service an additional 63 municipalities
 - (2) Hamilton Housing Co. and Kitchener

As was stated earlier, promotional opportunities and competition for senior property management positions are desirable aspects of any management development environment. For this to be achieved, there must be a hierarchy of positions and salaries which provides competition and has a reasonable number of levels to provide for advancement and rotation. Exhibit D.5 shows that the proposed property management scale does create a desirable distribution of positions in each class and thereby will provide the necessary opportunity and competition.

In summary, the proposed salary scale for Housing Managers appears to meet the essential criteria. It affects only a few of the existing manager salaries, and fits in with an overall concept of salary administration for the property management function. With the Housing Managers' scale properly established, the development of salary scales for other key authority positions can now be considered.

Other Authority Positions. Exhibit D.1 illustrates the relationship between the proposed Housing Manager's scale and the other key positions in the authority. The next most senior position in the authority is the Operations Manager. As it is only in larger authorities that an Operations Manager can be justified, the salary scale begins at the 2000 unit or Class III level. The scale was established to meet range and overlap criteria and is positioned to rise to the starting salary of the

Manager in the same authority. There are only two Operations Managers currently appointed, and their salaries seem reasonably consistent with the proposed scale.

The Office and Maintenance Managers have been judged to be the next most responsible positions in the organization, and of about equal importance in terms of an efficient authority. Therefore, their proposed salary scales are identical. The scale follows the rules of range and overlap down to 2000 unit authorities. Below this, the salary ranges remain constant, being considered at the lowest level which will attract reasonably competent personnel in maintenance and office management.

In testing this scale with current salaries of eleven Office and Maintenance Managers from the major authorities only two Maintenance personnel fell outside the scale limits. The scale is also in line with the Metro Toronto maintenance salary scale.

Community Relations and Tenant Placement Officers (CRO and TPO) have similarly been judged of equal importance. Their proposed salary range is fixed and independent of authority size, since their responsibilities do not normally increase with increasing units under management. The TPO responsibility is a function of the number of applications received and the number of tenants placed. Variations in Tenant Placement workload can usually be accommodated by CRO's helping out on a

temporary basis. While the total CRO workload increases with increasing numbers of units, it is customary to appoint one CRO per 1000 units where possible. Since CRO's work reasonably independently, there is no need to have an organizational hierarchy for them and hence there are no senior positions with responsibility for junior or assistant CRO's which might warrant a higher salary scale.

The remaining key position, Project Manager, is one of the most important in the organization. Project Managers form the primary and critical link between the tenants and the authority. As the direct line of responsibility for property management is through the Housing Manager (and the Operations Manager) to the Project Manager, the salary scale for the Project Manager position should reflect its relationship to these more senior line positions. Exhibit D.1 shows two levels of Project Manager salary which allow for three basic positions -- Senior, Project Manager and Assistant Project Manager. The Senior would normally work with two assistants while the Project Manager would work alone. The \$7,000 to \$10,000 range applies to the two lower positions and the \$9,000 to \$12,000 range to the Senior position. Senior Project Managers should only be appointed where there are more than 3,000 units under management. These suggested salary ranges appear to be consistent with current salaries and satisfactorily meet the other general salary criteria.

EXHIBIT D.6

ORGANIZATION AND STAFFING

A COMPARISON OF FRINGE BENEFIT PACKAGES CURRENTLY OFFERED
BY A SAMPLE GROUP OF ONTARIO HOUSING AUTHORITIES

REF #		HOUSING AUTHORITY (NUMBER OF EMPLOYEES)					
		OSHAWA (6)	GUELPH (4)	HAMILTON (78)	WINDSOR (39)	LONDON (29)	OTTAWA (34)
1.	Group Life			HA pays 66% of Life and Major Medical premi-um	HA pays 75% of \$8.08 premium \$10,500 benefit		
2.	OHSC			HA pays 66% now 100% in 1972 of premiums	HA pays 75% now 100% in 1972		HA pays 50%
3.	OHSIP		HA contributes ±25% of premi-um	HA pays 66% now 100% in 1972 of premiums	HA pays 75% now 100% in 1972		HA pays 50%
4.	Paid Sick Leave	1½ days per month	1½ days per month	1½ days per month	1½ days per month	1½ days per month	1½ days per month
5.	Paid Personal Leave						
6.	Paid Gratuities						
7.	Vacation	2 weeks/year	2 weeks/year	To 2 yrs-2 wks. To 5 yrs-3 wks. To 16yrs-4 wks.	1-5 yrs.-2 wks. 5-10yrs.-3 wks. 10 yrs. -4 wks.	2 weeks	2 weeks
8.	Staff Holidays	11 days	11 days	11 days	11 days	11 days	11 days
9.	Pension	Canada Pension Plan	Canada Pension Plan	Canada Pension Plan & National Life Scheme	Canada Pension Plan & 75% of 6% of Gross Income on Pension Plan	Canada Pension Plan	Canada Pension Plan
10.	Long Term In-come Protection						
11.	Severance Pay						
12.	Other Contributions as Approximate % of Gross Sal-aries paid by HA	2%	5%	6%	Green Shield Drugs 75% of Premium 8%	5%	4%

In summary, salary scales for the seven key authority positions have been developed which are internally consistent and generally in line with salaries currently being paid by the authorities. These scales can provide a useful reference and guideline for evaluating the necessity for salary adjustments and for maintaining a generally uniform property management salary policy throughout the province.

2. Fringe Benefits

Fringe Benefits are considered a normal part of any employee compensation scheme, and are a significant factor for many prospective employees when considering a career with an organization. If Housing Authorities wish to attract the calibre of professional management desired, compensation should include competitive fringe benefits. Furthermore, in order to facilitate professional development through job rotation, these fringe benefits should be portable. In planning a fringe benefit program to meet these requirements, the characteristics of existing programs for authorities and OHC employees should be taken into consideration.

- a) Current Housing Authority Fringe Benefits: A number of existing Housing Authorities provide their employees with fringe benefits. Exhibit D.6 shows a comparison of fringe benefit packages being offered by four major and two minor Housing Authorities. Of these, only two authorities -- Hamilton and Windsor -- offer a comprehensive package of benefits. The costs per person in this sample vary from about 2% to 8% of gross salaries indicating a significant variation in benefits provided.

EXHIBIT D.7ORGANIZATION AND STAFFINGCLASSIFICATION OF EMPLOYEES PRESENTLY WORKING FOR OHC & SUBSIDIARY ORGANIZATION

REF.#	CLASSIFICATION	COMPLE- MENT	DUTIES	LOCATION	BARGAINING GROUP	EMPLOYMENT CONT.
1.	Civil Servants: a) Managerial b) Bargaining Unit	613	OHC Management and Clerical	Metro Toronto	Civil Service Association of Ontario (CSAO)	Under Ontario Public Serv. Act (24 month negot.)
2.	Maintenance Staff	430	Maintenance of OHC facilities	Metro Toronto	OHC Employees Local 767, Canadian Union of Public Employees	Collective Agree- ment between OHC and CUPE (12 month negotiation).
3.	OHC Contract Employees	155	OHC Management and Clerical	Metro Toronto	None Individual	Contract of Employment Type "A", "B" or "C" (12-month renewal)
4.	Direct Management Managers (35-40) Assistants Clerical Maintenance	64	Housing Managers Full & Part-time, Maint. Supervisors, Community Relations Officers, Home Visitors	Ontario Province	None Individual	Letter of Appoint- ment, month-to- month basis.

None of these packages is portable so an employee cannot transfer from one location to another and maintain his participation in the same benefit program. In summary, the existing fringe benefit programs in the Housing Authorities do not generally meet requirements in terms of content and portability and do not compare favourably with other programs offered through OHC which are discussed in the next section.

- b) Benefit Programs available to OHC Employees: There are four major groups of OHC employee - Civil Servants, Maintenance staff, OHC contract employees and Direct Management Managers - each of which has its own fringe benefit package. Exhibit D.7 illustrates the characteristics of these groups in terms of size, duties, location, bargaining group and employment contract. The corresponding fringe benefits for these groups are shown in Exhibit D.8. Only two of these employee groups - Civil Servants and Maintenance staff - have fringe benefits which compare favourably with prevailing industry and government standards, and could be considered as possible models for a new authority package.
- c) Selecting a New Benefit Package for Housing Authorities: Any new benefit package for Housing Authorities must fulfill a number of important requirements:
- create a secure environment for career professionals.
 - compete with other organizations in personnel recruitment.
 - facilitate employee rotation, transfer, and promotion.

ORGANIZATION AND STAFFING

COMPARISON OF FRINGE BENEFIT PACKAGES CURRENTLY OFFERED TO OHC EMPLOYEES

REF. #		EMPLOYEE GROUPS			
		OHC EMPLOYEES (CSAO)	OHC EMPLOYEES (CUPE)	OHC CONTRACT EMPLOYEES	DIRECT MANAGEMENT
1.	Group Life	OHC pays 90¢ per month, Choice of 3.	60¢ per \$1,000, OHC pays 2/3, 2 x annual wages		
2.	OHSC (+ Blue Cross for CUPE only)	OHC pays 40% Employee pays 60% of premiums	OHC pays 75% Employee pays 25% of premiums	OHC pays 40% Employee pays 60% of premiums	
3.	OHSIP	OHC pays 65% Employee pays 35% of premiums	OHC pays 75%, Employee pays 25% of premiums	OHC pays 65% Employee pays 35% of premiums	
4.	Paid Sick Leave	1½ days per month with conversion	1½ days per month. Maximum 180 days	1½ days per month with conversion	
5.	Paid Personal Leave	Military & Educational			
6.	Paid Gratuities	Sick Leave Cash Conversion privilege	Rent & Utility Supplement for Care-takers		
7.	Vacation	1½ days per month going up to 1-2/3 days per month	To: 5 years - 2 weeks 15 years - 3 weeks + - 4 weeks	1½ days per month going up to 1-2/3 days per month	2 weeks per year
8.	Staff Holidays	11 days	11 days	11 days	11 days
9.	Pension	OHC pays ¼%, Employee pays ¾% of annual salary	OHC pays \$2.13 Emp. pays \$1.00 per month	C.P.P. OHC pays 1.8% of salary to \$5,400	C.P.P. OHC pays 1.8% of salary to \$5,400
10.	Long Term Income Protection	OHC pays ¼% Employees pay ¾% of annual salary			
11.	Severance Pay	1 week or unused sick leave.			

In addition, any new program should:

- offer benefits at least equivalent to Hamilton and Windsor.
- allow incorporation of existing Housing Authority programs without loss of benefit.

The fringe benefit package offered by the Ontario Housing Corporation to its Management and Bargaining Unit (CSAO) employees generally seems to satisfy these requirements. It is therefore recommended that an Ontario Housing Authority Benefit Program, with the same benefits as provided for CSAO, be offered to all authority employees.

d) Installing the New Fringe Benefit Package

The main elements of this new package should be:

- Group Life Insurance
- OHSC
- OHSIP
- Paid sick leave
- Paid personal leave - military, educational
- Paid gratuities - severance pay, accumulated sick leave.
- Vacation
- Staff holidays
- Pension
- Long term income protection

The average cost of the CSAO package as determined by the Ontario Civil Service and the Ontario Housing Corporation is:

Housing Authority Cost

Cash contribution	14.72% of Salaries/Wages
Indirect Cost (Vacations, etc.)	11.34% of Salaries/Wages

Employee Cost

Cash contribution	7.8% of Salaries/Wages
-------------------	------------------------

Based on these figures and the current number of permanent Housing Authority employees (excludes temporary and part-time) and their 1970 salaries, the cost, excluding the cost of administering the package, will be approximately:

Housing Authority Cost:

Cash contribution	\$300,000
Indirect Cost	<u>\$200,000</u>
Total Cost	\$500,000

Employee Cost

Cash Contribution	\$150,000
-------------------	-----------

Because there will only be approximately 300 employees affected by this program, slightly higher insurance premiums may be incurred than with CSAO. Advantage should be taken of group insurance and pension rates by placing the package with a single insurance company for Group Life, Pension and Long-Term Income Protection.

It is not anticipated that any additional staff will be required to administer the program. Most of the added work will be in Group Life and Pension payroll deductions and it should be possible for existing Housing Authority clerical staff to handle this along with their normal work load.

The benefit package should be installed at all Housing Authorities and, by agreement, be portable between authorities, OHC Head Office and Metro operations, if possible. An additional requirement for installing the new package is that there be no loss of benefit to Housing Authority employees currently participating in Authority benefit programs.

